



2023/0199(COD)

4.9.2023

***I

DRAFT REPORT

on the proposal for a regulation of the European Parliament and of the Council establishing the Strategic Technologies for Europe Platform ('STEP') and amending Directive 2003/87/EC, Regulations (EU) 2021/1058, (EU) 2021/1056, (EU) 2021/1057, (EU) No 1303/2013, (EU) No 223/2014, (EU) 2021/1060, (EU) 2021/523, (EU) 2021/695, (EU) 2021/697 and (EU) 2021/241 (COM(2023)0335 – C9-0209/2023 – 2023/0199(COD))

Committee on Budgets
Committee on Industry, Research and Energy

Rapporteur: José Manuel Fernandes, Christian Ehler

(Joint committee procedure – Rule 58 of the Rules of Procedure)

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act**Amendments by Parliament set out in two columns**

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the ***■*** symbol or ~~strikeout~~. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council establishing the Strategic Technologies for Europe Platform ('STEP') and amending Directive 2003/87/EC, Regulations (EU) 2021/1058, (EU) 2021/1056, (EU) 2021/1057, (EU) No 1303/2013, (EU) No 223/2014, (EU) 2021/1060, (EU) 2021/523, (EU) 2021/695, (EU) 2021/697 and (EU) 2021/241 (COM(2023)0335 – C9-0209/2023 – 2023/0199(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2023)0335),
 - having regard to Article 294(2) and Article 194(2) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C9-0209/2023),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to Rule 58 of its Rules of Procedure,
 - having regard to the opinions of the Committee on Agriculture and Rural Development and the Committee on Economic and Monetary Affairs,
 - having regard to the position in the form of amendments of the Committee on Employment and Social Affairs,
 - having regard to the letters from the Committee on Economic and Monetary Affairs and also the Committee on the Environment, Public Health and Food Safety and the Committee on Regional Development.
 - having regard to the report of the of the Committee on Budgets and the Committee on Industry, Research and Energy (A9-0000/2023),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Proposal for a regulation
Recital 2

Table-Media exklusiv

(2) The EU industry has proven its inbuilt resilience but is being challenged. High inflation, labour shortages, post-COVID supply chains disruptions, rising interest rates, and spikes in energy costs and input prices are weighing on the competitiveness of the EU industry. This is paired with strong, but not always fair, competition on the fragmented global market. The EU has already put forward several initiatives to support its industry, such as the Green Deal Industrial Plan,⁴⁰ the Critical Raw Materials Act⁴¹, the Net Zero Industry Act⁴², the new Temporary Crisis and Transition Framework for State aid,⁴³ **and** REPowerEU.⁴⁴ While these solutions provide fast and targeted support, the EU needs a more structural answer to the investment needs of its industries, safeguarding cohesion and the level playing field in the Single Market and to reduce the EU's strategic dependencies.

⁴⁰ Communication on A Green Deal Industrial Plan for the Net-Zero Age, COM(2023) 62 final.

⁴¹ COM(2023) 160 final

⁴² COM(2023) 161 final

⁴³ Communication on a Temporary Crisis and Transition Framework for State Aid measures (OJ C 101, 17.3.2023, p. 3).

⁴⁴ Regulation (EU) 2023/435 as regards REPowerEU (OJ L 63, 28.2.2023, p. 1).

(2) The EU industry has proven its inbuilt resilience but is being challenged. High inflation, labour shortages, post-COVID supply chains disruptions, rising interest rates, and spikes in energy costs and input prices are weighing on the competitiveness of the EU industry. This is paired with strong, but not always fair, competition on the fragmented global market. The EU has already put forward several initiatives to support its industry, such as the Green Deal Industrial Plan,⁴⁰ the Critical Raw Materials Act⁴¹, the Net Zero Industry Act⁴², the new Temporary Crisis and Transition Framework for State aid⁴³, **and the Recovery and Resilience Facility^{43a}, as amended by** REPowerEU.⁴⁴ While these solutions provide fast and targeted support, the EU needs a more structural answer to the investment needs of its industries, safeguarding cohesion and the level playing field in the Single Market and to reduce the EU's strategic dependencies.

⁴⁰ Communication on A Green Deal Industrial Plan for the Net-Zero Age, COM(2023) 62 final.

⁴¹ COM(2023) 160 final

⁴² COM(2023) 161 final

⁴³ Communication on a Temporary Crisis and Transition Framework for State Aid measures (OJ C 101, 17.3.2023, p. 3).

^{43a} **Regulation (EU) 2021/241 establishing the Recovery and Resilience Facility (OJ L 57, 18.2.2021, p. 17).**

⁴⁴ Regulation (EU) 2023/435 as regards REPowerEU (OJ L 63, 28.2.2023, p. 1).

Or. en

Amendment 2

Proposal for a regulation Recital 3

Text proposed by the Commission

(3) The uptake and scaling up **in the Union of deep and** digital technologies, **clean** technologies, and biotechnologies will be essential to seize the opportunities and meet the objectives of the green and digital transitions, thus promoting the competitiveness of the European industry and its sustainability. Therefore, immediate action is required to support the development or manufacturing in the Union of such technologies, safeguarding and strengthening their **value** chains thereby reducing the Union's strategic dependencies, and addressing existing labour and skills shortages in **those** sectors through trainings and apprenticeships and the creation of attractive, quality jobs accessible to all.

Amendment

(3) The uptake and scaling up **of** digital technologies **contributing to the objectives and targets of the Digital Decade Policy Programme 2030, net-zero** technologies **as defined in Regulation (EU) .../... [Net-Zero Industry Act']**, and biotechnologies, **as set out in the Annex to this Regulation**, will be essential to seize the opportunities and meet the objectives of the green and digital transitions, thus promoting the competitiveness of the European industry and its sustainability. Therefore, immediate action is required to support the development or manufacturing in the Union of such technologies, safeguarding and strengthening their **supply** chains, thereby reducing the Union's strategic dependencies, and addressing existing labour and skills shortages in **the relevant** sectors through trainings and apprenticeships and the creation of attractive, quality jobs accessible to all.

Or. en

Justification

The STEP regulation is the financial complementary to the Union's industrial policy. This amendment clarifies the general objective of STEP in line with Article 1 to support certain strategic technologies and thereby contributing to the implementation of the Union's industrial policy ambitions.

Amendment 3

Proposal for a regulation Recital 4

Text proposed by the Commission

Amendment

(4) [...]

deleted

Or. en

Justification

As the amendments to Article 2 clearly reference and define the technologies of STEP concretely, this recital is not necessary anymore.

Amendment 4

Proposal for a regulation Recital 5

Text proposed by the Commission

Amendment

(5) Strengthening the manufacturing capacity of **key** technologies in the Union will not be possible without a sizeable skilled workforce. However, labour and skills shortages have increased in all sectors including those considered key for the green and digital transition and endanger the rise of **key** technologies, **also** in the **context of demographic change**. Therefore, it is necessary to boost the activation of more people to the labour market relevant for **strategic** sectors, in particular through the creation of jobs and apprenticeships for young, disadvantaged persons, **in particular, young people** not in employment, education or training. Such support will complement a number of other actions aimed at meeting the skills needs stemming from the transition, outlined in the EU Skills Agenda.⁴⁵

(5) Strengthening the manufacturing capacity of technologies **in the relevant sectors identified under this Regulation** in the Union will not be possible without a sizeable skilled workforce. However, labour and skills shortages, **which** have increased in all sectors including those considered key for the green and digital transition, **are expected to increase further in light of demographic change** and endanger the rise of technologies in the **relevant sectors identified under this Regulation**. Therefore, it is necessary to boost the activation of more people to the labour market relevant for **relevant** sectors, in particular through the creation of jobs and apprenticeships for young, disadvantaged persons not in employment, education or training. Such support will complement a number of other actions aimed at meeting the skills needs stemming from the transition, outlined in the EU Skills Agenda.⁴⁵

⁴⁵ Communication on a European Skills Agenda for sustainable competitiveness, social fairness and resilience, COM(2020)

⁴⁵ Communication on a European Skills Agenda for sustainable competitiveness, social fairness and resilience, COM(2020)

Amendment 5

Proposal for a regulation Recital 6

Text proposed by the Commission

(6) ***The scale of investments needed for the transition require a full mobilisation of funding available under*** existing EU programmes and funds, ***inclusive*** those granting a budgetary guarantee for financing and investment operations and implementation of financial instruments and blending operations. ***Such*** funding should be deployed in a more flexible manner, to provide timely and targeted support for ***critical*** technologies in ***strategic*** sectors. Therefore, a Strategic Technologies for Europe Platform ('STEP') should ***give a structural answer to the Union investment needs by helping*** to better channel ***the*** existing ***EU*** funds towards critical investments aimed at supporting the development or manufacturing of ***critical*** technologies, while preserving a level playing field in the Single Market, thereby preserving cohesion and aiming at a geographically balanced distribution of projects financed under the STEP in accordance with the respective programme mandates.

Amendment

(6) ***Significant investments will be required over the coming years to strengthen the open strategic autonomy of the Union in a comprehensive way, to preserve its competitiveness in the global market and to achieve the green and digital transitions.*** Existing EU programmes and funds, ***including*** those granting a budgetary guarantee for financing and investment operations and implementation of financial instruments and blending operations, ***should contribute to addressing those goals. In addition to its full mobilisation, EU*** funding should be deployed in a more flexible manner, to provide timely and targeted support for technologies in ***relevant*** sectors, ***reinforcing the financing for Union-wide and cross-border projects.*** Therefore, a Strategic Technologies for Europe Platform ('STEP') should ***help*** to better channel existing ***Union*** funds towards critical investments aimed at supporting the development or manufacturing of technologies ***in relevant sectors***, while preserving a level playing field in the Single Market, thereby preserving cohesion and aiming at a geographically balanced distribution of projects financed under the STEP in accordance with the respective programme mandates.

Amendment 6

Proposal for a regulation Recital 7

Text proposed by the Commission

(7) The STEP should identify resources ***which should be implemented*** within ***the*** existing Union programmes and funds, ***the*** InvestEU, Horizon Europe, European Defence Fund ***and*** Innovation Fund. This should be accompanied by providing additional funding of EUR **10** billion. Of this, EUR 5 billion should be used to increase the endowment of the Innovation Fund⁴⁶ and EUR **3** billion to increase the total amount of the EU guarantee available for the EU compartment under the InvestEU Regulation to EUR **7,5** billion,⁴⁷ taking into account the relevant provisioning rate. EUR **0.5** billion should be made available to increase the financial envelope under the Horizon Europe Regulation,⁴⁸ which should be amended accordingly; and EUR **1.5** billion to the European Defence Fund.⁴⁹

⁴⁶ Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading (OJ L 275, 25.10.2003, p. 32).

⁴⁷ Regulation (EU) 2021/523 establishing the InvestEU Programme (OJ L 107, 26.3.2021, p. 30).

⁴⁸ Regulation (EU) 2021/695 establishing Horizon Europe (OJ L 170, 12.5.2021, p. 1).

⁴⁹ Regulation (EU) 2021/697 establishing

Amendment

(7) The STEP should identify ***available*** resources within existing Union programmes and funds, ***namely*** InvestEU, Horizon Europe, ***EU4Health, Digital Europe, the European Regional Development Fund (ERDF), the Cohesion Fund, the Just Transition Fund (JTF), the European Social Fund Plus (ESF+), the Recovery and Resilience Facility (RRF), the*** European Defence Fund, ***and the*** Innovation Fund, ***for projects contributing to the STEP objectives.*** This should be accompanied by providing additional ***Union*** funding of EUR **13** billion. Of this, EUR 5 billion should be used to increase the endowment of the Innovation Fund⁴⁶ and EUR **4,2** billion to increase the total amount of the EU guarantee available for the EU compartment under the InvestEU Regulation⁴⁷ to EUR **10,5** billion, taking into account the relevant provisioning rate. EUR **1,3** billion should be made available to increase the financial envelope under the Horizon Europe Regulation,⁴⁸ which should be amended accordingly; and EUR **2,5** billion to the European Defence Fund.⁴⁹

⁴⁶ Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading (OJ L 275, 25.10.2003, p. 32).

⁴⁷ Regulation (EU) 2021/523 establishing the InvestEU Programme (OJ L 107, 26.3.2021, p. 30).

⁴⁸ Regulation (EU) 2021/695 establishing Horizon Europe (OJ L 170, 12.5.2021, p. 1).

⁴⁹ Regulation (EU) 2021/697 establishing

the European **Defence** Fund (OJ L 170, 12.5.2021, p. 149.)

the European **Defence** Fund (OJ L 170, 12.5.2021, p. 149.)

Or. en

Amendment 7

Proposal for a regulation

Recital 8

Text proposed by the Commission

(8) A Sovereignty Seal should be awarded to projects contributing to the STEP objectives, provided that the project has been assessed and complies with the minimum quality requirements, ***in particular eligibility, exclusion and award criteria***, provided by a call for proposals under Horizon Europe, the Digital Europe programme,⁵⁰ the EU4Health programme,⁵¹ the European Defence Fund or the Innovation Fund, and regardless of whether the project has received funding under those instruments. These minimum quality requirements will be established with a view to identify high quality projects. This Seal should be used as a quality label, to help projects attract public and private investments by certifying its contribution to the STEP objectives. Moreover, the Seal will promote better access to EU funding, notably by facilitating cumulative or combined funding from several Union instruments.

⁵⁰ Regulation (EU) 2021/694 establishing the Digital Europe Programme (OJ L 166, 11.5.2021, p. 1).

⁵¹ Regulation (EU) 2021/522 establishing a Programme for the Union's action in the field of health, EU4Health Programme (OJ L 107, 26.3.2021, p. 1).

Amendment

(8) A Sovereignty Seal should be awarded to projects contributing to the STEP objectives, provided that the project has been assessed and complies with the minimum quality requirements provided by a call for proposals under Horizon Europe, the Digital Europe programme,⁵⁰ the EU4Health programme,⁵¹ the European Defence Fund or the Innovation Fund, and regardless of whether the project has received funding under those instruments. These minimum quality requirements will be established with a view to identify high quality projects. This Seal should be used as a quality label, to help projects attract public and private investments by certifying its contribution to the STEP objectives. Moreover, the Seal will promote better access to EU funding, notably by facilitating cumulative or combined funding from several Union instruments.

⁵⁰ Regulation (EU) 2021/694 establishing the Digital Europe Programme (OJ L 166, 11.5.2021, p. 1).

⁵¹ Regulation (EU) 2021/522 establishing a Programme for the Union's action in the field of health, EU4Health Programme (OJ L 107, 26.3.2021, p. 1).

Or. en

Amendment 8

Proposal for a regulation

Recital 9

Text proposed by the Commission

(9) To that end, it should be possible to rely on assessments made for the purposes of other Union programmes in accordance with Articles 126 and 127 of Regulation (EU, Euratom) 2018/1046,⁵² in order to reduce administrative burden for beneficiaries of Union funds and encourage investment in priority technologies. Provided they comply with the provisions of the RRF **Regulation**,⁵³ Member States should consider including **actions** awarded the Sovereignty Seal when **preparing** their recovery **and resilience plans and when proposing their Recovering and Resilience Plans** and when deciding on investment projects to be financed from **its** share of the Modernisation Fund. The Sovereignty Seal should also be taken into account by the Commission in the context of the procedure provided for in Article 19 of the EIB Statute and of the policy check laid down in Article 23 of the InvestEU Regulation. In addition, the implementing partners should be required to examine projects having been awarded the Sovereignty Seal in case they fall within their geographic and activity scope in accordance with Article 26(5) of that Regulation. Authorities in charge of programmes falling under STEP should also be encouraged to consider support for strategic projects identified in accordance with **the** Net Zero Industry **and the** Critical Raw Materials **Acts** that are within the scope of Article 2 of **the** Regulation and for which rules on cumulative funding may apply.

⁵² Regulation (EU, Euratom) 2018/1046 on

Amendment

(9) To that end, it should be possible to rely on assessments made for the purposes of other Union programmes in accordance with Articles 126 and 127 of Regulation (EU, Euratom) 2018/1046,⁵² in order to reduce administrative burden for beneficiaries of Union funds and encourage investment in priority technologies. Provided they comply with the provisions of the RRF **Regulation**,⁵³ Member States should consider including **projects** awarded the Sovereignty Seal when **revising** their recovery and resilience plans and when deciding on investment projects to be financed from **their** share of the Modernisation Fund. The Sovereignty Seal should also be taken into account by the Commission in the context of the procedure provided for in Article 19 of the EIB Statute and of the policy check laid down in Article 23 of the InvestEU Regulation. In addition, the implementing partners should be required to examine projects having been awarded the Sovereignty Seal in case they fall within their geographic and activity scope in accordance with Article 26(5) of that Regulation. Authorities in charge of programmes falling under STEP should also be encouraged to consider support for strategic projects identified in accordance with **Regulation XX/XX ('Net Zero Industry Act') and Regulation XX/XX ('Critical Raw Materials Act')** that are within the scope of Article 2 of **this** Regulation and for which rules on cumulative funding may apply.

⁵² Regulation (EU, Euratom) 2018/1046 on

the financial rules applicable to the general budget of the Union (OJ L 193, 30.7.2018, p. 1).

⁵³ Regulation (EU) 2021/241 establishing the Recovery and Resilience Facility (OJ L 57, 18.2.2021, p. 17).

the financial rules applicable to the general budget of the Union (OJ L 193, 30.7.2018, p. 1).

⁵³ Regulation (EU) 2021/241 establishing the Recovery and Resilience Facility (OJ L 57, 18.2.2021, p. 17).

Or. en

Amendment 9

Proposal for a regulation Recital 10

Text proposed by the Commission

(10) A new publicly available website (the ‘Sovereignty Portal’) should be set up by the Commission to provide information on available support **to** companies and project promoters seeking funds for STEP **investments. To that end, it** should display in an accessible and user-friendly manner the funding opportunities for STEP investments available under the EU budget. This should include information about directly managed programmes, **such as** Horizon Europe, **the** Digital Europe **programme, the** EU4Health **programme,** and the Innovation Fund, and **also** other **programmes such as** InvestEU, the **RRF,** and cohesion policy funds. Moreover, the Sovereignty Portal should help increase the visibility for STEP investments towards investors, by listing the projects that have been awarded a Sovereignty Seal. The Portal should also list the national competent authorities responsible for acting as contact points for the implementation of the STEP at national level.

Amendment

(10) A new publicly available website (the ‘Sovereignty Portal’) should be set up by the Commission to provide information on available support **for projects contributing to the STEP objectives. To address the needs of** companies and project promoters seeking funds for STEP **projects, the Sovereignty Portal** should display in an accessible and user-friendly manner the funding opportunities for STEP investments available under the EU budget. This should include information about **the** directly managed **Union** programmes Horizon Europe, Digital Europe, EU4Health, **the European Defence Fund** and the Innovation Fund, and other **Union funding sources, that is** InvestEU, the **Recovery and Resilience Facility,** and cohesion policy funds. Moreover, the Sovereignty Portal should help increase the visibility for STEP investments towards investors, by listing the projects that have been awarded a Sovereignty Seal. The Portal should also list the national competent authorities responsible for acting as contact points for the implementation of the STEP at national level.

Or. en

Amendment 10

Proposal for a regulation Recital 10 a (new)

Text proposed by the Commission

Amendment

(10 a) The Commission should monitor the implementation of the Platform objectives to track progress towards the Union's policy objectives. The monitoring should be conducted in a manner that is targeted and proportionate to the activities carried out under the Platform to avoid overregulation and administrative burden, in particular for the beneficiaries of funding. In order to ensure accountability to the Union's citizens, the Commission should report annually to the European Parliament and to the Council on the progress of implementation of the Platform objectives under each of the programmes and funds, on the overall expenditure of the STEP financed under the respective programmes and funds, and on the performance of the STEP based on the performance indicators provided for by those programmes. Furthermore, information should be provided on the Platform's qualitative and quantitative contribution to cross-border projects and to projects per Member State.

Or. en

Amendment 11

Proposal for a regulation Recital 11

Text proposed by the Commission

Amendment

(11) While the STEP relies on the reprogramming and reinforcement of existing programmes for supporting

(11) While the STEP relies on the reprogramming and reinforcement of existing programmes for supporting

strategic investments, it is also an important element for testing the feasibility and preparation of new interventions as a step towards a European Sovereignty Fund. The evaluation in **2025** will assess the relevance of the actions undertaken and serve as basis for assessing the need for an upscaling of the support towards strategic sectors.

strategic investments, it is also an important element for testing the feasibility and preparation of new interventions as a step towards a European Sovereignty Fund. The ***interim*** evaluation in **2026** will assess the relevance of the actions undertaken and serve as basis for assessing the need for an upscaling of the support towards strategic sectors ***in the post-2027 multiannual financial framework, with a view to better addressing the identified challenges and meeting the policy objectives of the Union in this field.***

Or. en

Amendment 12

Proposal for a regulation Recital 12

Text proposed by the Commission

(12) Directive 2003/87/EC⁵⁴ should be amended to allow for additional financing with a financial envelope for the period 2024-2027 of EUR 5 billion. The Innovation Fund supports investments in innovative low-carbon technologies, which is a scope that is to be covered by the STEP. The increase in volume of the Innovation Fund should therefore allow to provide financing responding to the objective of supporting the development or manufacturing in the Union of ***critical clean*** technologies. ***In line with the objectives of ensuring cohesion and promoting the Single Market, and in order to support the green transition and the development of clean technologies throughout the Union, the additional financial envelope should be made available through calls for proposals open to entities from Member States whose average GDP per capita is below the EU average of the EU-27 measured in purchasing power standards (PPS) and***

Amendment

(12) Directive 2003/87/EC⁵⁴ should be amended to allow for additional financing with a financial envelope for the period 2024-2027 of EUR 5 billion. The Innovation Fund supports investments in innovative low-carbon technologies, which is a scope that is to be covered by the STEP. The increase in volume of the Innovation Fund should therefore allow to provide financing responding to the objective of supporting the development or manufacturing in the Union of ***net-zero*** technologies.

calculated on the basis of Union figures for the period 2015-2017.

⁵⁴ Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading (OJ L 275, 25.10.2003, p. 32).

⁵⁴ Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading (OJ L 275, 25.10.2003, p. 32).

Or. en

Justification

The COM adds criteria how this financial envelope can be spent, which is counterproductive to the industrial policy objective of this Regulation. Deletion of reference to GDP criteria to accommodate the fact that recipients of the financial support of the innovation fund are found across the EU and that industry policy spendings, beneficial for the whole EU, should not be restricted to certain regions but focused where it has the greatest positive impact.

Amendment 13

Proposal for a regulation Recital 18

Text proposed by the Commission

(18) The regulatory framework for the implementation of the 2014-2020 programmes has been adapted over the past years to provide Member States and regions **with additional** with additional flexibility in terms of implementation rules and more liquidity to tackle the effects of the COVID-19 pandemic and the war or aggression against Ukraine. These measures, **introduced at the end of the programming period**, require sufficient time and administrative resources to be fully exploited and implemented; also at a time where Member States will focus resources on revising the 2021-2027 operational programmes linked to the STEP objectives. With a view to alleviate the administrative burden on programme authorities and to prevent possible loss of funds at closure for purely administrative reasons, the deadlines for the

Amendment

(18) The regulatory framework for the implementation of the 2014-2020 programmes has been adapted over the past years to provide Member States and regions with additional flexibility in terms of implementation rules and more liquidity to tackle the effects of the COVID-19 pandemic and the war or aggression against Ukraine. These measures require sufficient time and administrative resources to be fully exploited and implemented; also at a time where Member States will focus resources on revising the 2021-2027 operational programmes linked to the STEP objectives. With a view to alleviate the administrative burden on programme authorities and to prevent possible loss of funds at closure for purely administrative reasons, the deadlines for the administrative closure of the programmes under the 2014-2020 period

administrative closure of the programmes under the 2014-2020 period should be extended in Regulation (EU) No 1303/2013⁶¹ and Regulation (EU) No 223/2014⁶². More specifically, the deadline for the submission of that final payment application should be extended by 12 months. Furthermore, the deadline for the submission of the closure documents should also be extended by 12 months. In the context of this amendment, it is appropriate to clarify that distribution of food and material bought until the end of the eligibility period (end-2023) may continue after that date. In order to ensure a sound implementation of the EU budget and respect for the payment ceilings, payments to be made in 2025 should be capped at 1 % of the financial appropriations from resources under the Multiannual Financial Framework per programme. Amounts due exceeding the ceiling of 1% of programme appropriations per fund for 2025 would not be paid in 2025 nor in subsequent years but only used for the clearance of pre-financing. Unused amounts shall be decommitted in accordance with the general rules for decommitment at closure.

⁶¹ Regulation (EU) 1303/2013 laying down common provisions (OJ L 347, 20.12.2013, p. 320).

⁶² Regulation (EU) 223/2014 on the Fund for European Aid on the Most Deprived (OJ L 72, 12.3.2014, p. 1).

should be extended in Regulation (EU) No 1303/2013⁶¹ and Regulation (EU) No 223/2014⁶². More specifically, the deadline for the submission of that final payment application should be extended by 12 months. Furthermore, the deadline for the submission of the closure documents should also be extended by 12 months. In the context of this amendment, it is appropriate to clarify that distribution of food and material bought until the end of the eligibility period (end-2023) may continue after that date. In order to ensure a sound implementation of the EU budget and respect for the payment ceilings, payments to be made in 2025 should be capped at 1 % of the financial appropriations from resources under the Multiannual Financial Framework per programme. Amounts due exceeding the ceiling of 1% of programme appropriations per fund for 2025 would not be paid in 2025 nor in subsequent years but only used for the clearance of pre-financing. Unused amounts shall be decommitted in accordance with the general rules for decommitment at closure.

⁶¹ Regulation (EU) 1303/2013 laying down common provisions (OJ L 347, 20.12.2013, p. 320).

⁶² Regulation (EU) 223/2014 on the Fund for European Aid on the Most Deprived (OJ L 72, 12.3.2014, p. 1).

Or. en

Amendment 14

Proposal for a regulation Recital 19

(19) InvestEU is the EU flagship programme to boost investment, especially the green and digital transition, by providing demand-driven financing, including through blending mechanisms, and technical assistance. Such approach contributes to crowd in additional public and private capital. Given the high market demand of InvestEU guarantee, the EU compartment of InvestEU should be reinforced to correspond to the objectives of the STEP. This will, among other things, reinforce InvestEU's existing possibility to invest in projects forming part of an IPCEI, within the identified **critical** technology sectors. In addition, Member States are encouraged to contribute to the InvestEU Member State compartment to support financial products in line with the STEP objectives, without prejudice to applicable State aid rules. It should be possible for Member States to include as a measure in their recovery and resilience plans a cash contribution for the purpose of the Member State compartment of InvestEU to support objectives of the STEP. That additional contribution to support objectives of the STEP could reach up to 6% of their recovery and resilience plan's total financial allocation to the Member State compartment of InvestEU. Additional flexibility and clarifications should also be introduced to better pursue the objectives of the STEP.

(19) InvestEU is the EU flagship programme to boost investment, especially the green and digital transition, by providing demand-driven financing, including through blending mechanisms, and technical assistance. Such approach contributes to crowd in additional public and private capital. Given the high market demand of InvestEU guarantee, the EU compartment of InvestEU should be reinforced to correspond to the objectives of the STEP. This will, among other things, reinforce InvestEU's existing possibility to invest in projects forming part of an IPCEI, within the identified **relevant** technology sectors. In addition, Member States are encouraged to contribute to the InvestEU Member State compartment to support financial products in line with the STEP objectives, without prejudice to applicable State aid rules. It should be possible for Member States to include as a measure in their recovery and resilience plans a cash contribution for the purpose of the Member State compartment of InvestEU to support objectives of the STEP. That additional contribution to support objectives of the STEP could reach up to 6% of their recovery and resilience plan's total financial allocation to the Member State compartment of InvestEU. Additional flexibility and clarifications should also be introduced to better pursue the objectives of the STEP.

Or. en

Amendment 15

Proposal for a regulation

Recital 20

Text proposed by the Commission

(20) Horizon Europe is the EU's key funding programme for research and innovation, and its European Innovation Council (EIC) provides for support for innovations with potential breakthrough and disruptive nature with scale-up potential that may be too risky for private investors. Additional flexibility should be provided for under Horizon Europe, so that the EIC Accelerator can provide equity-only support to non-bankable SMEs, including start-ups, and non-bankable SMEs and small mid-caps, carrying out innovation *in* the technologies supported by the STEP and regardless of whether they previously received other types of support from the EIC Accelerator. The implementation of the EIC Fund *is currently* limited to a maximum investment amount of EUR 15 million except in exceptional cases and *cannot accommodate* follow-on financing rounds or larger investment amounts. Allowing for equity-only support for non-bankable SMEs and small mid-caps would address the existing market gap *with* investments needs in the range of EUR 15 to 50 million. Moreover, experience has shown that the amounts committed for the EIC Pilot under Horizon2020 are not fully used. These unused funds should be made available for the purposes of the EIC Accelerator under Horizon Europe. The Horizon Europe Regulation should also be amended to reflect the increased envelope for the European Defence Fund.

Amendment

(20) Horizon Europe is the EU's key funding programme for research and innovation, and its European Innovation Council (EIC) provides for support for innovations with potential breakthrough and disruptive nature with scale-up potential that may be too risky for private investors. Additional flexibility should be provided for under Horizon Europe, so that the EIC Accelerator can provide equity-only support to non-bankable SMEs, including start-ups, and non-bankable SMEs and small mid-caps, carrying out innovation, *in particular to those working on* the technologies supported by the STEP, and regardless of whether they previously received other types of support from the EIC Accelerator. *In the implementation of the EIC Fund the Commission limited the investments of the Fund* to a maximum investment amount of EUR 15 million except in exceptional cases and *this limited the Fund from effectively accommodating* follow-on financing rounds or larger investment amounts. Allowing for equity-only support for non-bankable SMEs and small mid-caps would address the existing market gap, *in particular for* investments needs in the range of EUR 15 to 50 million. Moreover, experience has shown that the amounts committed for the EIC Pilot under Horizon2020 are not fully used. These unused funds should be made available for the purposes of the EIC Accelerator under Horizon Europe. The Horizon Europe Regulation should also be amended to reflect the increased envelope for the European Defence Fund.

Or. en

Justification

The Commission text makes it seem like there was some kind of limitation placed on the EIC, but this was not the case. The Commission itself limited the investments to EUR 15 million.

Amendment 16

Proposal for a regulation Recital 20 a (new)

Text proposed by the Commission

Amendment

(20 a) The implementation of the EIC Accelerator so far has shown that the ambitious and transformative nature of the EIC as the investor of reference for breakthrough innovation in Europe through the EIC Fund, has created implementation challenges and legal uncertainty for the implementing entities, in particular regarding the role of the EIC and SME Executive Agency. Considering the central role of the EIC Fund in the success of STEP, the relevant legislative provisions on the functioning of the EIC should be clarified. In the process of further improving the functioning of the EIC, establishment of an independent Union body pursuant to Article 187 TFEU as the main entity responsible for implementing the EIC should be considered.

Or. en

Justification

This AM introduces language from point 43 of EP implementation report on EIC underlining the EP's view of what the EIC should be. This new recital also reflects point 44 of EP implementation report on EIC and sets out an important conclusion the EP drew about the future of the EIC.

Amendment 17

Proposal for a regulation Recital 21

Text proposed by the Commission

Amendment

(21) The European Defence Fund is the leading programme for enhancing the

(21) The European Defence Fund is the leading programme for enhancing the

competitiveness, innovation, efficiency and technological autonomy of the Union's defence industry, thereby contributing to the Union's open strategic autonomy. The development of defence capabilities is crucial, as it underpins the capacity and the autonomy of the European industry to develop defence products and the independence of Member States as the end-users of such products. The additional envelope should therefore be made available to support **actions** in the field of deep and digital technologies contributing to the development of defence applications.

competitiveness, innovation, efficiency and technological autonomy of the Union's defence industry, thereby contributing to the Union's open strategic autonomy. The development of defence capabilities is crucial, as it underpins the capacity and the autonomy of the European industry to develop defence products and the independence of Member States as the end-users of such products. The additional envelope should therefore be made available to support **projects** in the field of deep and digital technologies contributing to the development of defence applications.

Or. en

Amendment 18

Proposal for a regulation Article 1 – paragraph 1

Text proposed by the Commission

This Regulation establishes a Strategic Technologies for Europe Platform ('STEP' or 'the Platform') to support **critical and emerging** strategic technologies .

Amendment

This Regulation establishes a Strategic Technologies for Europe Platform ('STEP' or 'the Platform') to support strategic technologies **and their respective supply chains in relevant sectors, thereby supporting the implementation of the Digital Decade Policy Programme 2030 established by Decision (EU) 2022/2481 of the European Parliament and of the Council^{1a}, Regulation (EU) .../... [Net-Zero Industry Act] and Regulation (EU) .../... [Critical Raw Materials Act].**

^{1a} Decision (EU) 2022/2481 of the European Parliament and of the Council of 14 December 2022 establishing the Digital Decade Policy Programme 2030

Or. en

Justification

The STEP regulation is the financial complementary to the Union's industrial policy. This amendment clarifies the general objective of STEP to support certain strategic technologies and thereby contributing to the implementation of the Union's industrial policy ambitions.

Amendment 19

Proposal for a regulation

Article 2 – paragraph 1 – introductory part

Text proposed by the Commission

1. To strengthen European sovereignty and security, accelerate the Union's green and digital transitions and enhance its competitiveness, reduce its strategic dependencies, favour a level playing field in the Single Market for investments throughout the Union, and promote inclusive access to attractive, quality jobs, the Platform shall pursue the following objectives:

Amendment

1. To strengthen European sovereignty and security, accelerate the Union's green and digital transitions and enhance its competitiveness, reduce its strategic dependencies, favour a level playing field in the Single Market for investments throughout the Union, ***promote social, territorial and economic cohesion and solidarity among Member States***, and promote inclusive access to attractive, quality jobs, the Platform shall pursue the following objectives:

Or. en

Amendment 20

Proposal for a regulation

Article 2 – paragraph 1 – point a – introductory part

Text proposed by the Commission

(a) supporting the development or manufacturing throughout the Union, or safeguarding and strengthening the respective ***value*** chains, ***of critical*** technologies in the following ***fields***:

Amendment

(a) supporting the development or manufacturing throughout the Union, or safeguarding and strengthening the respective ***supply*** chains ***as referred to in paragraph 2 of*** technologies in the following ***sectors***:

Or. en

Justification

Art. 2 is aligned to existing and future regulatory framework of European industrial policy. Therefore, technology categories are referenced to and defined with concrete legislations. A clarification of supply chains is proposed. A new objective to strengthen the efforts through the EIC is introduced with a definition of deep tech innovation. Strategic projects under NZIA and the CRMA are considered to be directly eligible for funding. STEP shall have a special focus on net zero industry valleys and Just Transition Fund territories to focus the funding resources on industrial areas.

Amendment 21

Proposal for a regulation

Article 2 – paragraph 1 – point a – point i

Text proposed by the Commission

Amendment

(i) ***deep and*** digital technologies

(i) digital technologies ***contributing to the targets and objectives of the Digital Decade Policy Programme 2030***

Or. en

Justification

Art. 2 is aligned to existing and future regulatory framework of European industrial policy. Therefore, technology categories are referenced to and defined with concrete legislations. A clarification of supply chains is proposed. A new objective to strengthen the efforts through the EIC is introduced with a definition of deep tech innovation. Strategic projects under NZIA and the CRMA are considered to be directly eligible for funding. STEP shall have a special focus on net zero industry valleys and Just Transition Fund territories to focus the funding resources on industrial areas.

Amendment 22

Proposal for a regulation

Article 2 – paragraph 1 – point a – point ii

Text proposed by the Commission

Amendment

(ii) ***clean*** technologies

(ii) ***net-zero technologies as defined in Article 2, point (...) of Regulation (EU) .../...[Net-Zero Industry Act];***

Or. en

Justification

Art. 2 is aligned to existing and future regulatory framework of European industrial policy. Therefore, technology categories are referenced to and defined with concrete legislations. A clarification of supply chains is proposed. A new objective to strengthen the efforts through the EIC is introduced with a definition of deep tech innovation. Strategic projects under NZIA and the CRMA are considered to be directly eligible for funding. STEP shall have a special focus on net zero industry valleys and Just Transition Fund territories to focus the funding resources on industrial areas.

Amendment 23

Proposal for a regulation

Article 2 – paragraph 1 – point a – point iii

Text proposed by the Commission

Amendment

(iii) biotechnologies

(iii) biotechnologies, ***as defined in the Annex to this Regulation;***

Or. en

Justification

Art. 2 is aligned to existing and future regulatory framework of European industrial policy. Therefore, technology categories are referenced to and defined with concrete legislations. A clarification of supply chains is proposed. A new objective to strengthen the efforts through the EIC is introduced with a definition of deep tech innovation. Strategic projects under NZIA and the CRMA are considered to be directly eligible for funding. STEP shall have a special focus on net zero industry valleys and Just Transition Fund territories to focus the funding resources on industrial areas.

Amendment 24

Proposal for a regulation

Article 2 – paragraph 1 – point b

Text proposed by the Commission

Amendment

(b) addressing shortages of labour and skills critical to all kinds of quality jobs in support of the objective ***under*** point (a).

(b) addressing shortages of labour and skills critical to all kinds of quality jobs in support of the objective ***set out in*** point (a),

Or. en

Justification

Art. 2 is aligned to existing and future regulatory framework of European industrial policy. Therefore, technology categories are referenced to and defined with concrete legislations. A clarification of supply chains is proposed. A new objective to strengthen the efforts through the EIC is introduced with a definition of deep tech innovation. Strategic projects under NZIA and the CRMA are considered to be directly eligible for funding. STEP shall have a special focus on net zero industry valleys and Just Transition Fund territories to focus the funding resources on industrial areas.

Amendment 25

Proposal for a regulation

Article 2 – paragraph 1 – point b a (new)

Text proposed by the Commission

Amendment

(b a) fostering deep-tech innovation, in support of the objective set out in point (a), which has the potential to deliver transformative solutions, rooted in cutting edge science, technology and engineering, including innovation combining advances in the physical, biological and digital spheres.

Or. en

Justification

Art. 2 is aligned to existing and future regulatory framework of European industrial policy. Therefore, technology categories are referenced to and defined with concrete legislations. A clarification of supply chains is proposed. A new objective to strengthen the efforts through the EIC is introduced with a definition of deep tech innovation. Strategic projects under NZIA and the CRMA are considered to be directly eligible for funding. STEP shall have a special focus on net zero industry valleys and Just Transition Fund territories to focus the funding resources on industrial areas.

Amendment 26

Proposal for a regulation

Article 2 – paragraph 2

Text proposed by the Commission

Amendment

- 2. The technologies referred to in point (a) of the first paragraph, shall be deemed to be critical where they meet at least one of the following conditions:**
- (a) bring an innovative, cutting-edge element with significant economic potential to the Single Market;**
- (b) contribute to reduce or prevent strategic dependencies of the Union.**
- deleted*

Or. en

Justification

Art. 2 is aligned to existing and future regulatory framework of European industrial policy. Therefore, technology categories are referenced to and defined with concrete legislations. A clarification of supply chains is proposed. A new objective to strengthen the efforts through the EIC is introduced with a definition of deep tech innovation. Strategic projects under NZIA and the CRMA are considered to be directly eligible for funding. STEP shall have a special focus on net zero industry valleys and Just Transition Fund territories to focus the funding resources on industrial areas.

Amendment 27

Proposal for a regulation Article 2 – paragraph 3

Text proposed by the Commission

Amendment

- 3. Where an Important Project of Common European Interest (IPCEI) approved by the Commission pursuant to Article 107(3), point (b) TFEU relates to any of the technology fields referred to in point (a) of paragraph 1, the relevant technologies shall be deemed to be critical.**
- deleted*

Or. en

Justification

Art. 2 is aligned to existing and future regulatory framework of European industrial policy.

Therefore, technology categories are referenced to and defined with concrete legislations. A clarification of supply chains is proposed. A new objective to strengthen the efforts through the EIC is introduced with a definition of deep tech innovation. Strategic projects under NZIA and the CRMA are considered to be directly eligible for funding. STEP shall have a special focus on net zero industry valleys and Just Transition Fund territories to focus the funding resources on industrial areas.

Amendment 28

Proposal for a regulation

Article 2 – paragraph 4

Text proposed by the Commission

4. The **value** chain for the manufacturing of **critical** technologies referred to in **the first** paragraph relates to final products, as well as **key** components, **specific** machinery and critical raw materials **primarily used** for the production of those products.

Amendment

4. The **supply** chain for the manufacturing of technologies referred to in paragraph **1** relates to final products, as well as components, machinery and critical raw materials **as set out in Annex I to Regulation (EU) .../... [Critical Raw Materials Act] which are indispensable** for the production **and functioning** of those products.

Or. en

Justification

Art. 2 is aligned to existing and future regulatory framework of European industrial policy. Therefore, technology categories are referenced to and defined with concrete legislations. A clarification of supply chains is proposed. A new objective to strengthen the efforts through the EIC is introduced with a definition of deep tech innovation. Strategic projects under NZIA and the CRMA are considered to be directly eligible for funding. STEP shall have a special focus on net zero industry valleys and Just Transition Fund territories to focus the funding resources on industrial areas.

Amendment 29

Proposal for a regulation

Article 2 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4 a. Strategic projects as identified under regulations (EU) .../... [Net-Zero Industry Act] and (EU) [Critical Raw

Materials Act)) shall be considered to fulfil the objectives of paragraph 1 of this Article and shall therefore be eligible for funding under this Regulation.

Or. en

Justification

Art. 2 is aligned to existing and future regulatory framework of European industrial policy. Therefore, technology categories are referenced to and defined with concrete legislations. A clarification of supply chains is proposed. A new objective to strengthen the efforts through the EIC is introduced with a definition of deep tech innovation. Strategic projects under NZIA and the CRMA are considered to be directly eligible for funding. STEP shall have a special focus on net zero industry valleys and Just Transition Fund territories to focus the funding resources on industrial areas.

Amendment 30

Proposal for a regulation

Article 2 – paragraph 4 b (new)

Text proposed by the Commission

Amendment

4 b. When implementing programmes and activities to achieve the objectives under this Regulation, Member States shall put specific emphasis on supporting Net-Zero Industry Valleys as defined in Regulation (EU) .../... [Net-Zero Industry Act] and projects in territories included in the Territorial just transition plans as referred to in Article 11 of Regulation (EU) 2021/1056.

Or. en

Justification

Art. 2 is aligned to existing and future regulatory framework of European industrial policy. Therefore, technology categories are referenced to and defined with concrete legislations. A clarification of supply chains is proposed. A new objective to strengthen the efforts through the EIC is introduced with a definition of deep tech innovation. Strategic projects under NZIA and the CRMA are considered to be directly eligible for funding. STEP shall have a special focus on net zero industry valleys and Just Transition Fund territories to focus the funding resources on industrial areas.

Amendment 31

Proposal for a regulation

Article 3 – paragraph 1 – introductory part

Text proposed by the Commission

1. Implementation of the Platform shall be **supported, in particular, through:**

Amendment

1. **Financial support for the** implementation of the Platform shall be **provided from existing Union programmes and funds. To reinforce their ability to deliver on the STEP objectives, additional funding shall be provided to the following Union programmes and funds:**

Or. en

Justification

This AM should stress that existing Union programmes and funds should also be used, not only the financial top-ups proposed for some of those programmes and funds.

Amendment 32

Proposal for a regulation

Article 3 – paragraph 1 – point a

Text proposed by the Commission

(a) a Union guarantee referred to in Article 4(1) of Regulation (EU) 2021/523 with the indicative amount of EUR **7 500 000 000** **That guarantee** shall be implemented in accordance with Regulation (EU) 2021/523;

Amendment

(a) a Union guarantee referred to in Article 4(1) of Regulation (EU) 2021/523 with the indicative amount of EUR **10 500 000 000, which** shall be implemented in accordance with **that** Regulation;

Or. en

Justification

The amendments on the funding are aligned with the draft interim report on the MFF and will be aligned once the negotiations thereon have been concluded. With regard to the additional EUR 2bn. proposed in the draft interim report for Heading 1 of the MFF, the co-rapporteurs propose to use EUR 1.2 bn. for InvestEU, which translates to an increase of EUR 3 bn. of the EU guarantee given the 40 % provisioning rate.

Amendment 33

Proposal for a regulation

Article 3 – paragraph 1 – point b

Text proposed by the Commission

(b) an amount of EUR **500 000 000** in current prices of the financial envelope referred to in point (i) of Article 12(2)(c) of Regulation (EU) 2021/695. **That amount** shall be implemented in accordance with Regulation **(EU) 2021/695**;

Amendment

(b) an amount of EUR **1 300 000 000** in current prices of the financial envelope referred to in point (i) of Article 12(2)(c) of Regulation (EU) 2021/695, **which** shall be implemented in accordance with **that** Regulation;

Or. en

Justification

The amendments on the funding are aligned with the draft interim report on the MFF and will be aligned once the negotiations thereon have been concluded. With regard to the additional EUR 2bn. proposed in the draft interim report for Heading 1 of the MFF, the co-rapporteurs propose to use EUR 800 million for the top-up of the EIC and reject the redeployment within Horizon Europe of the same amount proposed by the Commission.

Amendment 34

Proposal for a regulation

Article 3 – paragraph 1 – point c

Text proposed by the Commission

(c) an amount of EUR 5 000 000 000 in current prices of the financial envelope referred to in the sixth subparagraph of Article 10a(8) of Directive 2003/87/EC. **That amount** shall be implemented within the Innovation Fund in accordance with the rules of Article 10a(8) of Directive 2003/87/EC and Commission Delegated Regulation **[2019/856]**.

Amendment

(c) an amount of EUR 5 000 000 000 in current prices of the financial envelope referred to in the sixth subparagraph of Article 10a(8) of Directive 2003/87/EC, **which** shall be implemented within the Innovation Fund in accordance with the rules of Article 10a(8) of Directive 2003/87/EC and Commission Delegated Regulation **(EU) 2019/856**.

Or. en

Amendment 35

Proposal for a regulation

Article 3 – paragraph 1 – point d

Text proposed by the Commission

(d) An amount of EUR **1 500 000 000** in current prices of the financial envelope referred to in Article 4(1) of Regulation (EU) 2021/697. **That amount** shall be implemented in accordance with Regulation **(EU) 2021/697**.

Amendment

(d) An amount of EUR **2 500 000 000** in current prices of the financial envelope referred to in Article 4(1) of Regulation (EU) 2021/697, **which** shall be implemented in accordance with **that** Regulation.

Or. en

Justification

The amendments on the funding are aligned with the draft interim report on the MFF and will be aligned once the negotiations thereon have been concluded. With regard to the additional EUR 1 bn. proposed in the draft interim report for Heading 5 of the MFF, the co-rapporteurs propose to use this amount to top-up the European Defence Fund.

Amendment 36

Proposal for a regulation

Article 4 – title

Text proposed by the Commission

Sovereignty Seal and cumulative funding

Amendment

Sovereignty Seal, **combined** and cumulative funding

Or. en

Amendment 37

Proposal for a regulation

Article 4 – paragraph 1

Text proposed by the Commission

1. The Commission shall award a Sovereignty Seal to any action contributing to any of the Platform objectives, provided **the** action has been assessed and complies

Amendment

1. The Commission shall award a Sovereignty Seal to any **project or** action, **as relevant**, contributing to any of the Platform objectives, provided **that the**

with the minimum quality requirements, ***in particular eligibility, exclusion and award criteria***, provided by a call for proposals under Regulation (EU) 2021/695, Regulation (EU) 2021/694, Regulation (EU) 2021/697, Regulation (EU) 2021/522, or Commission Delegated Regulation (EU) 2019/856.

project or action has been assessed and complies with the minimum quality requirements provided by a call for proposals under Regulation (EU) 2021/695, Regulation (EU) 2021/694, Regulation (EU) 2021/697, Regulation (EU) 2021/522, or Commission Delegated Regulation (EU) 2019/856, ***or that has been identified as a strategic project as defined in Regulation (EU) .../... ('Net Zero Industry Act') and Regulation (EU) .../... ('Critical Raw Materials Act'), which shall be changed from closed to continuously open calls.***

Or. en

Justification

Strategic projects under NZIA and CRMA should get the Sovereignty Seal automatically to strengthen their role and visibility for funding opportunities.

Amendment 38

Proposal for a regulation

Article 4 – paragraph 2 – point a

Text proposed by the Commission

(a) receiving support for the action under another Union fund or programme in accordance with the rules applicable to that fund or programme, or

Amendment

(a) receiving support for the ***project or*** action under another Union fund or programme in accordance with the rules applicable to that fund or programme, or

Or. en

Justification

Terminology alignment

Amendment 39

Proposal for a regulation

Article 4 – paragraph 2 – point b

Text proposed by the Commission

(b) financing the **action** through cumulative or combined funding with another Union instrument in line with the rules of the applicable basic acts.

Amendment

(b) financing the **project** through cumulative or combined funding with another Union instrument in line with the rules of the applicable basic acts.

Or. en

Justification

Terminology alignment

Amendment 40

Proposal for a regulation
Article 4 – paragraph 4

Text proposed by the Commission

4. When deciding on investment projects to finance from their respective shares of the Modernisation Fund in accordance with Article 10d of Directive 2003/87/EC, Member States shall consider as a priority **project for critical clean technologies** which have received the Sovereignty Seal in accordance with paragraph 1. In addition, Member States may decide to grant national support to projects with a Sovereignty Seal contributing to the Platform objective **referred to in Article 2(1), point (a)(ii).**

Amendment

4. When deciding on investment projects to finance from their respective shares of the Modernisation Fund in accordance with Article 10d of Directive 2003/87/EC, Member States shall consider **those projects for net-zero technologies as a priority as defined in the Regulation (EU) .../... [Net-Zero Industry Act]** which have received the Sovereignty Seal in accordance with paragraph 1. In addition, Member States may decide to grant national support to projects with a Sovereignty Seal contributing to the Platform objective **for net-zero technologies as defined in the Regulation (EU) .../... [Net-Zero Industry Act].**

Or. en

Justification

Strategic projects under NZIA and CRMA should get the Sovereignty Seal automatically to strengthen their role and visibility for funding opportunities.

Amendment 41

Proposal for a regulation Article 4 – paragraph 7

Text proposed by the Commission

7. The award of a Sovereignty Seal and provision of cumulative funding is without prejudice to applicable State aid rules **and to the Union's international obligations.**

Amendment

7. The award of a Sovereignty Seal and provision of cumulative funding is without prejudice to applicable State aid rules.

Or. en

Amendment 42

Proposal for a regulation Article 4 a (new)

Text proposed by the Commission

Amendment

Article 4a

STEP Committee

1. The Commission shall set up a STEP Committee composed of Commission experts on the technologies referred to in Article 2(1), point (a) and on the Union programmes and funds from which the Platform is financially supported.

2. The STEP Committee shall have the following tasks:

(a) to provide first point of contact support to project promoters, including by advising on funding possibilities and by coordinating with responsible Commission services;

(b) to award and promote the Sovereignty Seal referred to in Article 4(1) and to liaise with managing authorities responsible for calls for proposals and calls for tender to increase the funding opportunities across programmes for projects that have been awarded the Sovereignty Seal, without interfering in

the selection procedures;

(c) to set up and manage the Sovereignty portal in accordance with Article 6;

(d) to liaise with other existing structures, especially the Net-Zero Europe Platform established in accordance with Regulation (EU) .../... [Net Zero Industry Act] and the Critical Raw Materials Board established pursuant to Regulation (EU) .../... [Critical Raw Materials Act], national competent authorities designated in accordance with Article 6(4) of this Regulation, implementing partners and the European Advisory Group referred to in paragraph 3 of this Article, with a view to coordinating and exchanging information about the financial needs of, the existing bottlenecks and the best practices for projects across the Union;

(e) to foster contacts across sectors referred to in Article 2, making particular use of existing industrial alliances, networks and structures, such as the European Institute of Innovation & Technology (EIT) and the Joint Undertakings;

3. The Commission shall set up a European Advisory Group on Strategic Technologies composed of representatives of Union industry to advise and assist it on the implementation of the Platform in the relevant sectors.

Or. en

Justification

To ensure a smooth implementation of the Platform, a STEP committee should be set up to provide expertise in the granting of the Sovereignty Seal, to advise the promoters of good projects and enhance their chances to receive Union funding, and to ensure transparency of the implementation.

Amendment 43

Proposal for a regulation Article 5

Text proposed by the Commission

Amendment

Article 5

deleted

Monitoring of implementation

1. The Commission shall monitor the implementation of the Platform and measure the achievement of the Platform objectives set out in Article 2. The monitoring of implementation shall be targeted and proportionate to the activities carried out under the Platform.

2. The monitoring system of the Commission shall ensure that data for monitoring the implementation of the activities carried out under the Platform and the results of those activities are collected efficiently, effectively and in a timely manner.

3. The Commission shall report on the expenditure financed by the Platform. It shall, as appropriate, report on the achievements related to each of the specific Platform objectives.

Or. en

Justification

It is proposed to merge the two articles on monitoring and reporting by deleting Article 5 and including its substance in Article 7.

Amendment 44

Proposal for a regulation Article 6 – paragraph 1 – introductory part

Text proposed by the Commission

Amendment

1. The Commission shall establish a dedicated publicly available website (the ‘Sovereignty portal’), providing *investors*

1. The Commission shall establish a dedicated publicly available website (the ‘Sovereignty portal’), providing

with information about funding opportunities for projects linked to the Platform objectives and grant visibility to those projects, in particular by displaying the following information:

information about funding opportunities for projects linked to the Platform objectives and grant visibility to those projects, in particular by displaying the following information:

Or. en

Amendment 45

Proposal for a regulation

Article 6 – paragraph 1 – point d

Text proposed by the Commission

(d) **contacts to** the national competent authorities designated in accordance with paragraph 4;

Amendment

(d) **contact details of** the national competent authorities designated in accordance with paragraph 4;

Or. en

Amendment 46

Proposal for a regulation

Article 7 – title

Text proposed by the Commission

Annual **report**

Amendment

Monitoring and annual reporting

Or. en

Justification

It is proposed to merge Articles 5 and 7 of the Commission proposal, as they were overlapping.

Amendment 47

Proposal for a regulation

Article 7 – paragraph 1

Text proposed by the Commission

1. The Commission shall ***provide an annual report to the European Parliament and the Council on*** the implementation of the Platform.

Amendment

1. The Commission shall ***monitor*** the implementation of the Platform ***and measure the achievement of the objectives of the Platform laid down in Article 2. The monitoring of the implementation shall be targeted and proportionate to the activities carried out under the Platform.***

Or. en

Amendment 48

Proposal for a regulation Article 7 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1 a. The Commission shall design the monitoring system in such a way that data for monitoring the implementation of activities carried out under the Platform and the results of those activities is collected efficiently, effectively and in a timely manner. To that end, proportionate reporting requirements shall be imposed on the beneficiaries of funding.

Or. en

Amendment 49

Proposal for a regulation Article 7 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

1 b. The Commission shall provide an annual report to the European Parliament and to the Council on the implementation of the Platform.

Or. en

Amendment 50

Proposal for a regulation Article 7 – paragraph 2

Text proposed by the Commission

2. The annual report shall include consolidated information on the progress made in implementing the Platform objectives under each of the programmes and funds.

Amendment

2. The annual report shall include consolidated information on the progress made in implementing the Platform objectives under each of the programmes and funds ***as well as qualitative and quantitative information on the Platform's contribution to cross-border projects and to projects per Member State.***

Or. en

Amendment 51

Proposal for a regulation Article 7 – paragraph 3 – point a

Text proposed by the Commission

(a) overall expenditure of the STEP financed under the respective programmes;

Amendment

(a) overall expenditure of the STEP financed under the respective programmes ***and funds;***

Or. en

Amendment 52

Proposal for a regulation Article 8 – paragraph 1

Text proposed by the Commission

1. By ***31 December 2025***, the Commission shall provide the European Parliament and the Council with an evaluation report on the implementation of the Platform.

Amendment

1. By ***30 June 2026***, the Commission shall provide the European Parliament and the Council with an ***interim*** evaluation report on the implementation of the Platform, ***for the purpose of informing the decision-making process on the post-2027***

multiannual financial framework in a timely manner.

Or. en

Justification

To allow the Commission to have sufficient data at its disposal for the evaluation, the co-rapporteurs propose to have an interim evaluation by 30 June 2026, which is still in time to feed into the discussions on the post-2027 MFF. Another evaluation should be drawn up when all the programmes covered by STEP have been concluded. It should be presented before 31 December 2031.

Amendment 53

Proposal for a regulation
Article 8 – paragraph 2

Text proposed by the Commission

2. The evaluation report shall, in particular, assess to which extent the objectives ***have been achieved***, the efficiency of the use of the resources and the European added value. It shall also consider the continued relevance of all objectives and ***actions***, in view of their potential upscaling.

Amendment

2. The ***interim*** evaluation report shall, in particular, assess to which extent the ***STEP has contributed to the achievement of the*** objectives, the efficiency of the use of the resources and the European added value ***of the Platform***. It shall also ***provide an overview of the regions for which the programmes have been amended, including information on relevant aspects of the partnership principle, and*** consider the continued relevance of all objectives and ***projects***, in view of their potential upscaling.

Or. en

Amendment 54

Proposal for a regulation
Article 8 – paragraph 3

Text proposed by the Commission

3. Where appropriate, the evaluation shall be accompanied by a proposal for

Amendment

3. Where appropriate, the ***interim*** evaluation shall be accompanied by a

amendments of this Regulation.

proposal for amendments of this
Regulation.

Or. en

Amendment 55

Proposal for a regulation

Article 8 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3 a. At the end of the implementation of the Union programmes and funds from which the Platform is financially supported, but no later than 31 December 2031, the Commission shall provide the European Parliament and the Council with a final evaluation report on implementation of the STEP. The report shall be accompanied by a thorough assessment of differentiated territorial impacts and effects on cohesion resulting from the implementation of the Platform.

Or. en

Amendment 56

Proposal for a regulation

Article 9 – paragraph 1 – point 1

Directive 2003/87/EC

Article 10a – paragraph 8

Text proposed by the Commission

Amendment

In addition to the allowances referred to in the first to fifth subparagraphs of this paragraph, the Innovation Fund shall also implement a financial envelope for the period from 1 January 2024 to 31 December 2027 of EUR 5 000 000 000 in current prices for supporting investments contributing to the STEP objective *referred to in Article 2, point (a)(ii) of Regulation*

In addition to the allowances referred to in the first to fifth subparagraphs of this paragraph, the Innovation Fund shall also implement a financial envelope for the period from 1 January 2024 to 31 December 2027 of EUR 5 000 000 000 in current prices for supporting investments contributing to the STEP objective *for net-zero technologies as defined in Regulation*

.../...⁶³ [STEP Regulation]. This financial envelope *shall be made available to support investments only in Member States whose average GDP per capita is below the EU average of the EU-27 measured in purchasing power standards (PPS) and calculated on the basis of Union figures for the period 2015-2017*

(EU) .../... [Net-Zero Industry Act] by making this financial envelope available for financial support for Strategic Projects in the Regulation (EU) .../... [Net-Zero Industry Act]. The envelope shall be distributed annually under a call for proposals continuously open with a cut-off date of six months with a fixed financial envelope. When a project promoter of a strategic project identified pursuant to Regulations (EU) .../... [Net-Zero Industry Act] and (EU) [Critical Raw Materials Act] applies for funding, by way of derogation from Article 3 of the [Regulation (EU) .../... of the European Parliament and the Council^{62a}, the strategic project shall be considered to fulfil all requirements and criteria of the Innovation Fund and shall be directly eligible for funding. The funding from this envelope to a strategic project shall not exceed 25% of the total cost of the project and shall be limited to a maximum amount of EUR 250 000 000 in current prices.

^{62a} Regulation (EU) .../... of the European Parliament and the Council of establishing the Strategic Technologies for Europe Platform ('STEP') and amending Directive 2003/87/EC, Regulations (EU) 2021/1058, (EU) 2021/1056, (EU) 2021/1057, (EU) No 1303/2013, (EU) No 223/2014, (EU) 2021/1060, (EU) 2021/523, (EU) 2021/695, (EU) 2021/697 and (EU) 2021/241 (OJ L ..., ..., p. ...).

⁶³ Regulation .../... of the European Parliament and of the Council ... [insert full title and OJ reference].

Or. en

Justification

The COM adds criteria how this financial envelope can be spent, which is counterproductive to the industrial policy objective of this Regulation. Deletion of reference to GDP criteria to

accommodate the fact that recipients of the financial support of the innovation fund are found across the EU and that industry policy spendings, beneficial for the whole EU, should not be restricted to certain regions but focused where it has the greatest positive impact. Strategic projects under NZIA should be directly eligible for funding under the Innovation Fund.

Amendment 57

Proposal for a regulation

Article 10 – paragraph 1 – point 4

Regulation 2021/1058

Article 5 – paragraph 2 – point e

Text proposed by the Commission

when they contribute to the specific objective under PO 1 set out in Article 3(1), first subparagraph, point (a)(vi) or to the specific objective under PO 2 set out in point (b)(ix) of that subparagraph, ***in less developed and transition regions, as well as more developed regions in Member States whose average GDP per capita is below the EU average of the EU-27 measured in purchasing power standards (PPS) and calculated on the basis of Union figures for the period 2015-2017.***

Amendment

when they contribute to the specific objective under PO 1 set out in Article 3(1), first subparagraph, point (a)(vi) or to the specific objective under PO 2 set out in point (b)(ix) of that subparagraph.

Or. en

Justification

The COM adds criteria how this financial envelope can be spent, which is counterproductive to the industrial policy objective of this Regulation. Deletion of reference to GDP criteria to accommodate the fact that recipients of the financial support of the innovation fund are found across the EU and that industry policy spendings, beneficial for the whole EU, should not be restricted to certain regions but focused where it has the greatest positive impact.

Amendment 58

Proposal for a regulation

Article 16 – paragraph 1 – point 2 – point a

Regulation (EU) 2021/523

Article 4 – paragraph 2

Text proposed by the Commission

The EU guarantee for the purposes of the EU compartment referred to in Article 9(1), point (a), shall be EUR **33 652 310 073** in current prices. It shall be provisioned at the rate of 40 %. The amount referred to in Article 35(3), first subparagraph, point (a), shall be also taken into account for contributing to the provisioning resulting from that provisioning rate.;

Amendment

The EU guarantee for the purposes of the EU compartment referred to in Article 9(1), point (a), shall be EUR **36 652 310 073** in current prices. It shall be provisioned at the rate of 40 %. The amount referred to in Article 35(3), first subparagraph, point (a), shall be also taken into account for contributing to the provisioning resulting from that provisioning rate.;

Or. en

Justification

The co-rapporteurs propose to use EUR 1.2 bn. of the additional EUR 2 bn. for Heading 1 of the MFF, proposed in the draft MFF interim report, for InvestEU. Given the 40 % provisioning rate, this translates to an increase of EUR 3 bn. of the EU guarantee.

Amendment 59

Proposal for a regulation

Article 16 – paragraph 1 – point 2 – point b

Regulation (EU) 2021/523

Article 4 – paragraph 2 – second subparagraph

Text proposed by the Commission

An amount of EUR **18 827 310 073** in current prices of the amount referred to in the first subparagraph of paragraph 1 of this Article shall be allocated for the objectives referred to in Article 3(2).;

Amendment

An amount of EUR **21 827 310 073** in current prices of the amount referred to in the first subparagraph of paragraph 1 of this Article shall be allocated for the objectives referred to in Article 3(2).;

Or. en

Justification

The co-rapporteurs propose to use EUR 1.2 bn. of the additional EUR 2 bn. for Heading 1 of the MFF, proposed in the draft MFF interim report, for InvestEU, which translates to an increase of EUR 3 bn. of the EU guarantee.

Amendment 60

Proposal for a regulation

Article 16 – paragraph 1 – point 6

Regulation (EU) 2021/523

Article 13 – paragraph 4

Text proposed by the Commission

4. **At least** 75 % of the EU guarantee under the EU compartment as referred to in Article 4(1), first subparagraph, amounting to **at least EUR 25 239 232 554**, shall be granted to the EIB Group. The EIB Group shall provide an aggregate financial contribution amounting to at least EUR **6 309 808 138**. That contribution shall be provided in a manner and form that facilitates the implementation of the InvestEU Fund and the achievement of the objectives set out in Article 15(2).;

Amendment

4. 75 % of the EU guarantee under the EU compartment as referred to in Article 4(1), first subparagraph, amounting to **EUR 27 489 232 554**, shall be granted to the EIB Group. The EIB Group shall provide an aggregate financial contribution amounting to at least EUR **6 872 308 138**. That contribution shall be provided in a manner and form that facilitates the implementation of the InvestEU Fund and the achievement of the objectives set out in Article 15(2).;

Or. en

Amendment 61

Proposal for a regulation

Article 16 – paragraph 1 – point 6 a (new)

Regulation (EU) 2021/523

Article 13 – paragraph 5

Text proposed by the Commission

Amendment

(6 a) In Article 13, paragraph 5 is replaced by the following:

'5. The remaining 25 % of the EU guarantee under the EU compartment shall be granted to other implementing partners, which shall also provide a financial contribution to be determined in the guarantee agreements. Where national promotional banks or institutions do not make full use of the remaining 25 % of the EU guarantee under the EU compartment, the excess amount may be granted to the EIB Group.'

Or. en

Justification

The co-rapporteurs would like to limit the possibility for the EIB group to receive more than 75 % of the EU guarantee under the EU compartment to situations in which the implementing partners do not absorb the remaining 25 %.

Amendment 62

Proposal for a regulation

Article 16 – paragraph 1 – point 12

Regulation (EU) 2021/523

Annex I – point (e)

Text proposed by the Commission

Amendment

(e) up to EUR **7 500 000 000** for objectives referred to in Article 3(2), point (e).

(e) up to EUR **10 500 000 000** for objectives referred to in Article 3(2), point (e).

Or. en

Justification

The co-rapporteurs propose to use EUR 1.2 bn. of the additional EUR 2 bn. for Heading 1 of the MFF, proposed in the draft MFF interim report, for InvestEU, which translates to an increase of EUR 3 bn. of the EU guarantee. This EUR 3 bn. increase is added to the STEP window.

Amendment 63

Proposal for a regulation

Article 16 – paragraph 1 – point 13

Regulation 2021/523

Annex II, point 16

Text proposed by the Commission

(16) **scaling up, deployment and large-scale** manufacturing of the **critical** technologies referred to in Article 2(1), point (a) of Regulation .../... [STEP Regulation], as well as the respective **value** chain referred to in Article 2(4) of that Regulation.

Amendment

(16) **development or** manufacturing of the technologies referred to in Article 2(1), point (a) of Regulation .../... [STEP Regulation], as well as the respective **supply** chain referred to in Article 2(2) of that Regulation.

Or. en

Justification

Alignment with terminology in article 2

Amendment 64

Proposal for a regulation

Article 16 – paragraph 1 – point 14

Regulation 2021/523

Annex III, point (9), 7a.1

Text proposed by the Commission

7a.1 Investment mobilised by technology area: i) **deep and** digital technologies, **ii) clean** technologies and iii) biotechnologies.

Amendment

7a.1 Investment mobilised by technology area: i) digital technologies **and ii) net-zero** technologies and iii) biotechnologies.

Or. en

Justification

Alignment with terminology in article 2

Amendment 65

Proposal for a regulation

Article 16 – paragraph 1 – point 14

Regulation 2021/523

Annex III, point (9), 7a.2

Text proposed by the Commission

7a.2 Number of enterprises supported by technology area: i) **deep and** digital technologies, ii) **clean** technologies and iii) biotechnologies.

Amendment

7a.2 Number of enterprises supported by technology area: i) digital technologies, ii) **net-zero** technologies and iii) biotechnologies.

Or. en

Justification

Alignment with terminology in article 2

Amendment 66

Proposal for a regulation

Article 17 – paragraph 1 – point -1 (new)

Regulation 2021/695

Article 9(1) points (b) and (c)

Text proposed by the Commission

Amendment

(-1) In Article 9(1) points (b) and (c) are replaced by the following:

b) autonomy, particularly for the implementation of equity support in order to ensure market-conform investment timelines as well as risk-taking as referred to in point (c);

(c) ability to take more risk than the market standards, particularly by providing patient investment to non-bankable innovations

Or. en

Justification

Justification point (b): Since the start of Horizon Europe, the Commission has significantly changed the implementation mode of the EIC, including the kind of autonomy it has. This

amendment clarifies why the autonomy is needed. Justification point (c): In the implementation of the EIC, too often the preference is given to bankable projects, which indicates that the EIC is following the market. However, the intervention logics of the EIC is to lead the market towards higher risk investments. This text clarifies that.

Amendment 67

Proposal for a regulation

Article 17 – paragraph 1 – point 1 – point a

Regulation (EU) 2021/695

Article 12 – paragraph 1

Text proposed by the Commission

1. The financial envelope for the implementation of the Programme for the period from 1 January 2021 to 31 December 2027 shall be EUR **86 623 000 000** in current prices for the specific programme referred to in point (a) of Article 1(2) and for the EIT and EUR **9 453 000 000** in current prices for the specific programme referred to in point (c) of Article 1(2).

Amendment

1. The financial envelope for the implementation of the Programme for the period from 1 January 2021 to 31 December 2027 shall be EUR **87 423 000 000** in current prices for the specific programme referred to in point (a) of Article 1(2) and for the EIT and EUR **10 453 000 000** in current prices for the specific programme referred to in point (c) of Article 1(2).

Or. en

Justification

In line with the EP position to oppose the funding of new actions from redeployments, the co-rapporteurs propose to finance the EUR 1.3 billion increase of the EIC fully with fresh money (+ EUR 800 million compared to the Commission proposal) and to increase the envelope of the European Defence Fund by EUR 1 billion.

Amendment 68

Proposal for a regulation

Article 17 – paragraph 1 – point 1 – point b – introductory part

Regulation (EU) 2021/695

Article 12 – paragraph 2 – point c

Text proposed by the Commission

Amendment

(b) in paragraph 2, **points (b) and (c)** **are** replaced by the following:

(b) in paragraph 2, **point (c)** **is** replaced by the following:

Or. en

Amendment 69

Proposal for a regulation

Article 17 – paragraph 1 – point 1 – point b and b (new)

Regulation (EU) 2021/695

Article 12 – paragraph 2 – point b

Text proposed by the Commission

Amendment

(b) **EUR 46 628 000 000 for Pillar II 'Global Challenges and European Industrial Competitiveness' for the period 2021 to 2027, of which:** **deleted**

(i) **EUR 6 775 000 000 for cluster 'Health';**

(ii) **EUR 1 350 000 000 for cluster 'Culture, Creativity and Inclusive Society';**

(iii) **EUR 1 276 000 000 for cluster 'Civil Security for Society';**

(iv) **EUR 13 229 000 000 for cluster 'Digital, Industry and Space';**

(v) **EUR 13 229 000 000 for cluster 'Climate, Energy and Mobility';**

(vi) **EUR 8 799 000 000 for cluster 'Food, Bioeconomy, Natural Resources, Agriculture and Environment';**

(vii) **EUR 1 970 000 000 for the non-nuclear direct actions of the JRC;**

Or. en

Justification

In line with the EP position to oppose the funding of new actions from redeployments, the co-rapporteurs propose to delete the cuts in Horizon Europe and to finance the EUR 800 million

increase of the European Innovation Council with fresh money.

Amendment 70

Proposal for a regulation

Article 17 – paragraph 1 – point 3 – introductory part

Regulation 2021/695

Article 48 – paragraph 1 – point (c)

Text proposed by the Commission

Amendment

(3) ***In Article 48, the following point (d) is added in the first subparagraph:***

(3) Article 48 ***is amended as follows:***

Or. en

Amendment 71

Proposal for a regulation

Article 17 – paragraph 1 – point 3 and first subparagraph

Regulation 2021/695

Article 48 – paragraph 1 – point (d)

Text proposed by the Commission

Amendment

(d) equity-only support required for scale-up to non-bankable SMEs, including start-ups, and non-bankable small mid-caps, including entities which have already received support in line with points (a) to (c), carrying out breakthrough and disruptive non-bankable innovation in the ***critical*** technologies referred to in Article 2(1)(a) of Regulation .../... [STEP Regulation], financed under Article 3(b) of that Regulation.

(d) equity-only support required for scale-up to non-bankable SMEs, including start-ups, and non-bankable small mid-caps, including entities which have already received support in line with points (a) to (c), carrying out breakthrough and disruptive non-bankable innovation in the technologies referred to in Article 2(1)(a) of Regulation .../... [STEP Regulation], financed under Article 3(b) of that Regulation.

Or. en

Amendment 72

Proposal for a regulation

Article 17 – paragraph 1 – point 3 a (new)

Text proposed by the Commission

Amendment

(3 a) in paragraph 1, point (c) is replaced by the following:

‘(c) equity-only support to non-bankable SMEs, including start-ups, carrying out breakthrough and disruptive non-bankable innovation may also be provided;

Or. en

Justification

This text is ambiguous and has led to the Commission interpreting it as only providing equity-only to companies which have already received a grant before. This amendment clarifies that it can go also to new applicants.

Amendment 73

Proposal for a regulation

Article 17 – paragraph 1 – point 3 b (new)

Regulation 2021/695

Article 48 – paragraph 1

Text proposed by the Commission

Amendment

(3 b) the following subparagraph is added :

‘When providing equity support, the EIC shall strive to crowd-in other investors. However, in order to effectively support non-bankable innovation, equity support can be provided without crowding in other investors, particularly for but not limited to breakthrough and disruptive non-bankable innovation in the technologies referred to in Article 2(1)(a) of Regulation .../... [STEP Regulation].

Or. en

Justification

In the Implementation Report (point 43(c)i) the Parliament emphasises that the EIC Fund should be able to be the sole investor in a company. This reflects this in the legal text.

Amendment 74

Proposal for a regulation

Article 17 – paragraph 1 – point 3 c (new)

Regulation 2021/695

Article 48 – paragraph 3

Text proposed by the Commission

Amendment

(3 c) paragraph 3 is replaced by the following:

‘3. A single award decision, which shall be based on the outcome of the evaluation process referred to in paragraph 4 and in accordance with paragraph 8 shall cover and provide funding for all forms of Union contribution provided under EIC blended finance. The single award decision shall lead to a single contract covering all forms of Union contribution provided by the decision.

Or. en

Amendment 75

Proposal for a regulation

Article 17 – paragraph 1 – point 3 d (new)

Regulation 2021/695

Article 48 – paragraph 8

Text proposed by the Commission

Amendment

(3 d) in paragraph 8, the first subparagraph is replaced by the following:

‘8. For a proposal having passed the evaluation, the independent external experts referred to in paragraph 4 shall propose a corresponding Accelerator

support, based on the risk incurred and the resources and time necessary to bring and deploy the innovation to the market. The Commission may reject, for justified reasons, a proposal retained by independent external experts, including due to non-compliance with the objectives of Union policies. The Programme Committee shall be informed of the reasons for such a rejection.

Or. en

Amendment 76

Proposal for a regulation

Article 17 – paragraph 1 – point 3 e (new)

Regulation 2021/695

Article 48 – paragraph 11

Text proposed by the Commission

Amendment

(3 e) In paragraph 11, the first subparagraph is replaced by the following:

‘11. The contract for the selected action, which shall comprise a single contract in accordance with paragraph 3, shall establish specific measurable milestones and the corresponding prefinancing and payments by instalments of the Accelerator support.

Or. en

Justification

Through its changes of the implementation of the EIC Accelerator, the Commission has created a situation in which the decision-taking process on the equity and grant parts of blended finance are completely separate. This goes against the core of blended finance and this should be clarified.

Amendment 77

Proposal for a regulation

Article 18 – paragraph 1 – point 1 – point a

Regulation (EU) 2021/695

Article 18 – paragraph 1

Text proposed by the Commission

1. In accordance with Article 12(1) of Regulation (EU) 2021/695, the financial envelope for the implementation of the Fund for the period from 1 January 2021 to 31 December 2027 shall be EUR **9 453 000 000** in current prices.

Amendment

1. In accordance with Article 12(1) of Regulation (EU) 2021/695, the financial envelope for the implementation of the Fund for the period from 1 January 2021 to 31 December 2027 shall be EUR **10 453 000 000** in current prices.

Or. en

Justification

The amendments on the funding are aligned with the draft interim report on the MFF and will be aligned once the negotiations thereon have been concluded. With regard to the additional EUR 1bn. proposed in the draft interim report for Heading 5 of the MFF, the co-rapporteurs propose to use the resources to top up the European Defence Fund.

Amendment 78

Proposal for a regulation

Article 18 – paragraph 1 – point 1 – point b

Regulation (EU) 2021/695

Article 12 – 2(a)

Text proposed by the Commission

(a) EUR **3 151 000 000** for research actions;

Amendment

(a) EUR **3 484 000 000** for research actions;

Or. en

Justification

The co-rapporteurs propose to allocate the EUR 1bn. of fresh money assigned to the EDF proportionately to research and development actions (+EUR 333m. for research, +EUR 667m. to development.

Amendment 79

Proposal for a regulation

Article 18 – paragraph 1 – point 1 – point b

Regulation (EU) 2021/695

Article 12 – paragraph 2(b)

Text proposed by the Commission

(b) EUR 6 302 000 000 for
development actions.

Amendment

(b) EUR 6 969 000 000 for
development actions.

Or. en

Justification

The co-rapporteurs propose to allocate the EUR 1bn. of fresh money assigned to the EDF proportionately to research and development actions (+EUR 333m. for research, +EUR 667 m. to development.

Amendment 80

Proposal for a regulation

Annex

Text proposed by the Commission

Amendment

Annex

***Definition of biotechnologies
(Article 2(1), point (a)(iii))***

Biotechnologies 'means:

The application of science and technology to living organisms, as well as parts, products and models thereof, to alter living or non-living materials for the production of knowledge, goods and services.

The OECD list-based statistical definition of biotechnology contains:

DNA/RNA: Genomics, pharmacogenomics, gene probes, genetic engineering, DNA/RNA sequencing/synthesis/amplification, gene expression profiling, and use of

antisense technology, large-scale DNA synthesis, genome- and gene-editing, gene drive.

Proteins and other molecules:

Sequencing/synthesis/engineering of proteins and peptides (including large molecule hormones); improved delivery methods for large molecule drugs; proteomics, protein isolation and purification, signalling, identification of cell receptors.

Cell and tissue culture and engineering:

Cell/tissue culture, tissue engineering (including tissue scaffolds and biomedical engineering), cellular fusion, vaccine/immune stimulants, embryo manipulation, marker assisted breeding technologies, metabolic engineering.

Process biotechnology techniques:

Fermentation using bioreactors, biorefining, bioprocessing, bioleaching, biopulping, biobleaching, biodesulphurisation, bioremediation, biosensing, biofiltration and phytoremediation, molecular aquaculture.

Gene and RNA vectors: Gene therapy, viral vectors.

Bioinformatics: Construction of databases on genomes, protein sequences; modelling complex biological processes, including systems biology.

Nanobiotechnology: Applies the tools and processes of nano/microfabrication to build devices for studying biosystems and applications in drug delivery, diagnostics, etc.

¹ OECD (2018). "Revised proposal for the revision of the statistical definitions of biotechnology and nanotechnology", p. 8, Box 1, OECD Science, Technology and Industry Working Papers, No. 2018/01, Paris. <https://doi.org/10.1787/085e0151-en>

Justification

Art. 2 shall be aligned to existing and future regulatory framework of European industrial policy, namely to NZIA and CRMA, the digital decade policy programme and the biotechnology sector as identified by the OECD definition. Therefore, technology categories are clearly referenced and defined. A clarification of supply chains is proposed. Article 2 is complemented by a definition of deep tech innovation as a new objective to strengthen the efforts through the EIC. Moreover, strategic projects under NZIA and the CRMA are considered to be directly eligible for funding with a special focus on net zero industry valleys and Just Transition Fund territories to focus the funding resources under STEP on certain geographical areas.

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