

Oslo, November 4th, 2025

A dynamic EU Budget for the priorities of the future - The Multiannual Financial Framework 2028-2034

Comments from the Association of Norwegian Research Institutes on EU funding for competitiveness

We appreciate the opportunity to give our input to the proposals for EUs next long-term budget (MFF). In our feedback we will focus on the Proposal for <u>EU's next long-term budget (MFF) – EU funding for competitiveness</u>, including proposals for the European Competitiveness Fund ('ECF') and FP10/Horizon Europe, the Framework Programme for Research and Innovation.

The Association of Norwegian Research Institutes (Forskningsinstitutenes fellesarena, FFA) represents 33 independent research institutes with a total of 7400 person-years. The research institutes have a combined annual turnover of approximately 1,1 billion EUR, of which close to 190 million EUR come from international funding sources including Horizon Europe.

Norway is an associated country to Horizon Europe through the EEA Agreement and has been associated with the framework programmes since 1994. This association allows for a close collaboration between the EEA EFTA states and the European Union in advancing research, innovation, and competitiveness across Europe.

FFA is a member of EARTO, and we support their recommendations – both on the strengths in the EC's proposals and the areas with room for improvement¹.

The following comments are FFAs input to i) *Proposal for a REGULATION OF THE EUROPEAN*PARLIAMENT AND OF THE COUNCIL on establishing the European Competitiveness Fund ('ECF'), ii)

Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing

Horizon Europe, the Framework Programme for Research and Innovation and iii) Proposal for a

COUNCIL DECISION on establishing the Specific Programme implementing Horizon Europe

1. Norway and the other EEA EFTA States' association with the new FP10/Horizon Europe

The association of the EEA EFTA States (Iceland, Liechtenstein and Norway) with EU programmes is set out in the Agreement on the European Economic Area (EEA Agreement). The EFTA secretariat explains and elaborates on this in the EEA EFTA Comment on EEA EFTA Participation in EU Programmes 2028–2034 (EEA EFTA Comment) 28 January 2025². The comment also highlights that:

- The participation of the EEA EFTA States (Iceland, Liechtenstein and Norway) in EU programmes is set out in the Agreement on the European Economic Area (EEA Agreement).

¹ EARTO-Recommendations-on-EC-Proposals-for-ECF-HE-Final.pdf

² EEA EFTA Comment



- EU programmes are key instruments for the operational cooperation between the EEA EFTA States and the European Union.
- The Agreement states that the EEA EFTA States shall have access to all parts of the EU programmes in which they participate, and EEA EFTA stakeholders shall have the same rights and obligations as stakeholders from the EU Member States.

The EEA Agreement states that the EEA EFTA States shall have access to all parts of the EU programmes in which they participate, and we appreciate that this is clearly stated in art 9. 1(a). We support that EEA members, in accordance with the EEA Agreement, are not considered for exclusion from parts of the programme (art 9. 5 (b).

However, we find that throughout the proposal, the mentioning of EEA EFTA countries and other third countries are inconsistent. We would like to emphasize the need for a consistent mentioning of EEA countries vs other associated and third countries throughout the proposal. This also to avoid/identify inadvertent barriers for Norwegian (and other EEA countries) participation.

- We call for a consistent mentioning of EEA countries vs other associated and third countries throughout the proposal.
- ➤ EEA EFTA States shall have access to all parts of the EU programmes in which they participate— as set out in the EEA Agreement
- EEA EFTA countries must not be excluded from strategic programme areas

2. Collaborative research and Pillar II

Funding of collaborative applied medium to long-term research is important to provide risk relief for businesses. EUs Framework Programs (FPs) have offered an arena for collaboration and co-creation that no single country can provide to companies and their suppliers. The past FPs have successfully developed key networks of industrial and RD&I stakeholders working together, often manifesting in European wide technology and innovation platforms (ETPs/ETIPs) and associations. We believe that an enlarged and streamlined version of Horizon Europe's Pillar II in the future FP10/Horizon Europe will be key to keeping Europe at the forefront of the technological race with its global competitors.

FP10/Horizon Europe should strengthen efforts on excellent cross-border collaborative RD&I, with strong industrial involvement and participation. Pillar II is the only truly collaborative part of the current Horizon Europe developing collaborative approaches between and within the private and public sectors as well as between basic and applied research. A significant part of FP10/Horizon Europe's total budget growth should be allocated to Pillar II, with an enhanced focus on European industrial competitiveness.

With this in mind, we are concerned by the proposed allocation of funds between the Pillars in FP10/Horizon Europe. With the proposed budget, Pillar II suffers a relative weakening compared to the other pillars (44% in FP10 vs 56% in FP9). This is also commented in EARTO's recommendations, and FFA supports EARTOs call for an allocation of 60% Horizon Europe's budget to these collaborative RD&I activities. Collaborative research in Pillar II is vital for competitiveness and should be strengthened and prioritized in the new framework programme.



In the JRC working paper series "Can Horizon Europe help to close the innovation gap?" (4/2025), Pillar II is criticized for delivering limited impact for the business sector. FFA partially acknowledges this criticism. Pillar II is difficult to navigate, burdened by numerous formal requirements and complex regulations for participants. It is perceived as overly top-down, and the projects often involve large consortia with too many stakeholders, which can dilute the impact on industry. However, this does not mean that the R&I collaboration within Pillar 2 is ineffective, or that the work carried out in collaborative projects lacks scientific quality or industrial relevance. The limited uptake of results by industry may just as well stem from weak or missing mechanisms for absorbing R&I outcomes—factors that lie outside the framework programme itself. The Commission's proposal for a robust European Competitiveness Fund could address this challenge, but only if combined with a strengthened focus on collaborative research at low and mid TRL-level.

The four thematic windows in the FP10/Horizon Europe and ECF cover important topics for Europe's future development and competitiveness. The last few years geopolitical and societal changes have shown several of these topics to be more important than ever, and all of them require a solid research and knowledge base. However, the thematic window for Health, Biotech, Agriculture and Bioeconomy, as well as the window for Digital Leadership, has experienced the relatively lowest growth in FP10/Horizon Europe. Most of the growth for these windows has been allocated to ECF (and only marginally in FP10), and as a consequence we are concerned that knowledge production will be weakened compared to the other windows. We are also concerned that Climate, nature and environment are less prominent in the new commission's policy and the proposals for FP10/Horizon Europe, but it is still important to keep this global challenge high on the R&D agenda.

And, as a final comment on the FP10/Horizon Europe and pilar II, we welcome that Society gets its own dedicated space within pillar 2. It will also be important to ensure inclusion of social innovation, democracy, climate and sustainability in – and across - the four policy windows in the competitiveness part.

Collaborative research in Pillar II is vital for competitiveness and should be strengthened and prioritized in the new FP10/Horizon Europe

3. EEA EFTA States association with the European Competitiveness Fund

We welcome the mentioning of EEA EFTA countries in art 11 stating that EEA EFTA countries may be associated to the European Competitiveness Fund (ECF). And we emphasize that the EEA EFTA States should have the opportunity to participate through full association to all parts of the ECF. However, as mentioned in regard to association with FP10/Horizon Europe, we find that the mentioning of EEA EFTA countries and other third countries are inconsistent in the proposals. We emphasize the need for a consistent mentioning of EEA countries vs other associated and third countries throughout the proposal. This also to avoid/identify inadvertent barriers for Norwegian (and other EEA countries) participation.

EEA EFTA States should have the opportunity to associate with all parts of the European Competitiveness Fund

4. Governance and link between ECF and FP10/Horizon Europe

The ECF and FP10/Horizon Europe will be closely linked, especially through the four thematic windows in ECF and Pillar II. We would like to emphasize that the linkages between ECF policy



windows and Pillar II (governance and structure) must include RD&I actors and ensure safeguarding of RD&I perspectives and policy. The Commission's proposal to have ECF's governing bodies steer the thematic priorities of FP10/Horizon Europe's Pillar II contradicts the Heitor report's recommendations. In our view, this approach risks weakening the authority and role of the programming committees within the framework programme and potentially leading to the loss of valuable knowledge and expertise.

- The linkages between ECF policy windows and Pillar II (governance and structure) must include RD&I actors and perspectives
- The Commission should ensure that the decision-making authority, the autonomy of the program committees and governing bodies within the Framework Program are not undermined as a result of the linkage to the ECF
- To ensure connections and synergies between initiatives in ECF and FP10/Horizon Europe, the award mechanisms and eligibility criteria for projects should be consistent across both ECF and FP10/Horizon Europe.

5. Infrastructure RI and TI

The Commission has proposed to strengthen investments in Research Infrastructures (RI) and Technological Infrastructures (TI) in FP10, representing a 350 percent increase compared to the current framework programme. Such an increase requires building on existing RI and TI and further developing within the established research and innovation (R&I) system. It is crucial that the clear role of RTOs as providers of such infrastructure is acknowledged and valued when funding mechanisms under these initiatives are established. RTOs have long taken the role of supporting industrial value chains by housing complex large-scale Technology Infrastructures, including multiuse research (prototype) and low-rate manufacturing (test & validation) facilities offering technology neutrality. RI and TI are the backbone of dynamic R&I ecosystems, and RTOs already provide physical and virtual environments where products, services, and processes can be tested under controlled and secure conditions. Neither the EU nor its member states benefit from creating new parallel sectors for infrastructure initiatives.

It is crucial that the clear role of RTOs as providers of such infrastructure is acknowledged and valued when funding mechanisms under these initiatives are established

6. Simplification

FFA supports the Commission's proposal for "one rulebook" and a common set of rules for participation and framework conditions to apply across the entire Framework Programme and the ECF. Regarding funding rates, it is important to distinguish between commercial actors and non-profit partners, and this distinction must apply to all parts of the Framework Programme, including all forms of partnerships, Moonshots and the newly proposed instrument 'Innovation Ecosystems and the Knowledge Triangle'. Experiences from its predecessor, EIT-KICs, show that participation from RTOs was low due to high costs and unfavourable participation rules.

- The award mechanisms and eligibility criteria for projects need to be consistent across both ECF and HEU 2.0.
- We emphasize the need for a distinction between commercial actors and non-profit partners regarding funding rates, and this distinction must apply to all parts of the Framework Programme