

EARTO Paper on EU Partnerships in FP10: How to boost Future EU Public-Private Partnerships?

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EARTO welcomes the new European Commission's priority to enhance Europe's industrial competitiveness by realising a European Prosperity Plan that places Research, Development and Innovation (RD&I) at the core of the economy ([Political Guidelines for the next European Commission 2024–2029](#)).

Especially, EARTO appreciates the following key aspects of this priority laid down in the European Commission President's guidelines:

1. Increase funding towards strategic areas,
2. Position Europe at the cutting edge between emerging science, tech and industry to speed up and enhance the tech revolution,
3. Foster a thriving research environment by providing advanced infrastructure and laboratories **through new Public-Private Partnerships, such as joint undertakings.**

Research & Technology Organisations (RTOs) are crucial innovators for Europe's twin transition. They contribute to the next production revolution, cheaper and cleaner energy, transformation processes in manufacturing and services, digital transformation and novel solutions to social and environmental challenges. RTOs are instrumental within the European RD&I ecosystem and innovation-driven strategic value chains, pioneering EU technological leadership to boost EU competitiveness and driving pan-European excellent and impactful applied research.

As noted by President von der Leyen, the **European Public-Private Partnerships (PPPs) within the FPs are crucial for promoting industrial competitiveness as they attract co-investments from both public and private sectors, with the highest financial leverage.** EARTO and 115 European industrial associations recently highlighted the importance of coordinated and substantial investments in collaborative research, development and innovation thanks to EU PPPs (See our [Joint Statement](#)). European PPPs offer pan-European collaboration reducing fragmentation of the European R&I landscape building on national and regional public investments.

In this context, RTOs are important actors crucial for bridging to industry and in reducing risk for industry via pre-competitive activities as demonstrated through EARTO [analysis of EC eCORDA](#) data. EARTO members' participation in Horizon Europe (June 2024) showed that the average industrial involvement in Horizon Europe projects, especially in Horizon Europe Pillar 2, increases to 33% when EARTO members are involved in the project from 23% when they are not part of the consortium.

Building on its members' vast experience, EARTO offers a practical perspective to refine and boost the use of European PPPs in the upcoming Framework Programme for RD&I (FP10) to make this policy instrument more effective and impactful.

European Partnerships are a set of heterogeneous funding instruments with [3 types of European RD&I Partnerships defined by the European Commission](#). Therefore, any recommendations should consider the specificities of the three types of EU Partnerships¹.

¹ **Co-Programmed Partnerships:** Partnerships between the EC and mostly private and public partners, based on a memorandum of understanding. This document outlines the objectives, the commitments and the governance structure of this cooperation. **Institutionalised Partnerships:** Partnerships between the EC, Member States, Associated Countries and industry, based on a Council Regulation ([Article 187](#)) or a Decision by the European Parliament and Council ([Article 185](#)). They are implemented by dedicated structures. **Co-Funded Partnerships:** Partnerships involving EU Member States Associated Countries only and are based on an FP co-fund action.

Co-programmed and Institutionalised Partnerships: THE instruments linking EU RD&I Policy & EU Industrial Strategy

EARTO Members have noted that the Co-programmed and Institutionalised Partnerships facilitate industrial commitment and leverage private RD&I investments in their respective industrial sectors. Industry participation in Horizon Europe is highest in these two types of Partnerships². In Institutionalised Partnerships, private contributions (in cash or in-kind) more than doubled or even tripled the volume of EU funding. In-kind contributions, which include personnel costs, provision of know-how, and equipment, demonstrate a significant financial commitment from research actors and the industry as these expenses are not fully covered by EU funds. This high level of investment and engagement from the industry and the research community underscores their strong commitment to the success of these Partnerships and their confidence in the value of collaborative RD&I efforts.

The Co-programmed and the Institutionalised Partnerships have enabled significant advancements in RD&I activities by:

- **Accelerating the creation and upscaling of new solutions:** PPPs are critical in fostering collaborative RD&I within relevant ecosystems, valorising knowledge, operationalising strategic links and helping to bridge the valley of death.
- **Designing and implementing RD&I activities on a European scale:** These Partnerships effectively involved a large span of stakeholders across borders in defining research priorities and structuring communities. By bringing together industry, universities, RTOs, and end-users, they facilitate the achievement of common goals with a strong and coherent European logic that transcends isolated research agendas.
- **Developing critical structures for co-creation and impact multiplication:** By prioritising actions and resource allocation through close dialogue with industry, RD&I and public actors, these Partnerships solve specific challenges within industrial ecosystems and their value chains, ensuring a targeted and efficient use of public resources.
- **Sharing risks and knowledge, optimising resources:** European Partnerships enable risk sharing and resource optimisation by mobilising entire industrial innovation value chains, providing support that extends beyond what a single country, company or RD&I actor can offer.
- **Creating networks of relevant stakeholders:** PPPs tap into an extensive network across academic, research, and industrial spheres, widen perspectives across diverse industrial sectors and foster insights into collaborative calls and potential multidisciplinary collaboration. They create THE meeting place for a specific research topic, enhancing visibility and findability of knowledge, information, expertise, and events at European level.
- **Aligning national and EU research agendas with industry needs:** The PPPs ensure that research and funding mechanisms are strategically directed and well-aligned with industry demands, fostering discussions on and implementation of future technological development and readiness for industrial scale-up.
- **Supporting collaborative work in demonstration and piloting:** PPPs enable RTOs to apply their research expertise and use their technology infrastructures in critical demonstration and piloting projects, enhancing collaborative efforts with industry.

EARTO Recommendations for Future EU Partnerships

Based on this understanding, EARTO hereby presents **5 recommendations drawn from EARTO Members' collective feedback on current EU Partnerships** as follows:

Recommendation 1 – Focus more strategically on the set of Co-programmed and Institutionalised Partnerships for EU Industrial Competitiveness

In FP10, Co-programmed and Institutionalised Partnerships should prioritise EU industrial competitiveness to maximise the impact of joint public & private RD&I investments. The focus on the implementation of new EU Partnerships must be co-designed with related industries & RTOs from their early conception. Only so, the goal of leveraging private investments can be achieved, since it requires industry's willingness to engage and co-finance in a stable, long-term-oriented manner. PPPs might need some flexibility in implementation, transnational and international cooperation, and a reinforced strategic role in policy implementation coordinated with industry.

In preparation for the future EU MMF and FP10, EARTO members noted the Competitiveness Joint Undertaking mentioned in the [Draghi Report](#) (See page 312, Part B, Chapter on Governance), which proposes

² European Commission, Directorate-General for Research and Innovation, [Performance of European partnerships – Biennial Monitoring Report 2024 on partnerships in Horizon Europe](#), 2024.

to integrate applied and breakthrough industrial research for translating technology into actual deployment by pooling national resources and large private risk capital:

09. For applied and breakthrough industrial research, a new Competitiveness Joint Undertaking would attract adequate resources for the translation of the envisaged technology into actual deployment, particularly for large-scale technological projects and related infrastructure. Member States should be incentivised to pool national resources and large private risk capital should be attracted using simplified rules serving the delivery of the joint project. The new Competitiveness Joint Undertaking would continue to be partly financed through the Research and Innovation Framework Programme as Joint Undertakings are today.

This concept of new "Competitiveness Joint Undertakings" could be a potential tool to tie together the forthcoming industrial & RDI policies and initiatives targeting strategic technologies. This proposal underlines the **need for strong EU RD&I Investments to strengthen Industrial Policy**, as highlighted in EARTO's recent positions:

- [EARTO Policy Recommendations 2024-2029: No EU Tech, No EU Competitiveness](#) and,
- [EARTO Position Paper on the Next EU Multiannual Financial Framework: How to Focus EU RD&I Investments to Boost our Technology Leadership, Productivity & Industrial Competitiveness?](#)

Recommendation 2 – Develop a better portfolio approach and strategic coordinating process to reduce duplication and foster synergies between the Partnerships for greater impact

To define a strategic set of Co-programmed and Institutionalised Partnerships and create impact, synergies between current Partnerships and with other instruments across EU programmes must be improved. **Adopting a new portfolio approach is critical to reduce duplication and scattered activities among stakeholder platforms with common objectives and to guarantee the entire R&I chain's coverage. Streamlining efforts is significant in times of multiple crises and resource shortages (both financial and skills).** Currently, joint topics between two Partnerships (Co-programmed and Institutionalised) are impractical due to the independent work programme preparation process for Institutionalised Partnerships.

It is crucial to **leverage synergies across different EU Partnerships** (e.g. Towards Zero Emission Road Transport, Batteries, Clean Hydrogen, etc.). Enhanced synergy exploitation is needed, not only in defining ad-hoc topics of common interest but also in aligning shared visions and priorities. This will help avoid unnecessary overlaps and introduce new Partnerships only to address identified gaps in the current portfolio, thereby optimising resource allocation and impact.

Building on the need for a strategic portfolio approach, it is important to address the partial duplication arising from the overlap of missions and objectives between the Horizon Europe Partnerships and other EU initiatives (e.g. ETIPs - European Technology and Innovation Platforms, Alliances, and Large-Scale Skills Partnerships). This duplication often results from the fact that these initiatives are led by different EC services (e.g. DG ENER, DG R&I, DG GROW, DG EMPL, DG EAC, etc.). This complicates collaboration and burdens beneficiaries with duplicated efforts. To increase impact, the EC services should ensure better coordination amongst these initiatives. In addition, establishing more effective coordination and feedback loops between the EC services responsible for policymaking and the executive agencies managing the FP's implementation would also lead to improved portfolio management and results valorisation, to increase impact and meet the various EU policies' objectives.

Recommendation 3 – Reinforce the strategic policy advisory role of Co-programmed and Institutionalised Partnerships for the whole FP

Europe's recovery hinges on its technological prowess, industrial strength, strategic autonomy, and ability to locally produce essential goods and services for sectors like green and digital transitions, and healthcare. This requires massive RD&I efforts and investments. FP10 should emphasise stronger, more integrated programming across EU policies and within the EU RD&I programme, spanning from basic research to applied R&D and innovation.

In this context, **industrial Partnerships, both Co-programmed and Institutionalised, can mobilise the entire RD&I value chain to tackle critical industrial and societal challenges. The co-creation channels of these PPPs should extend beyond co-programming to support the development of EU policies more effectively.** Accordingly, approaches to global challenges and industrial competitiveness should not be decoupled within the PPPs.

Increased flexibility in the Partnership's Strategic Research and Innovation Agenda (SRIA) is essential to allow swift updates, adapt to rapid changes, and shorten the timeline from SRIA development to project initiation. Moreover, Co-programmed and Institutionalised Partnerships should better utilise Pillar 1 outputs to meet their basic research needs. In parallel, Pillar 3's EIC could introduce Challenge calls based on Partnerships SRIAs, ensuring a cohesive and permeable RD&I ecosystem.

Recommendation 4 – Simplify the Rules for Participation to lower administrative burden

For FP10, it is vital that all Partnerships, including institutionalised ones, are covered by the Strategic Plan to ensure uniform rules. **Co-funded Partnerships face several challenges that require extensive uniformisation: complex financial rules due to diverse funding agencies across Member States, additional reporting burdens (also added by national agencies when co-funding), limited participation due to the constrained funding by each Member State or region, and discrepant ambitions of Partnerships and budgets (e.g. CETP).**

Simplifying participation rules (e.g. monitoring and reporting) and guaranteeing feasible financing mechanisms (e.g. in-kind additional activities, cash contributions) is essential. These mechanisms need to be developed and approved in close consultation with industry and the RD&I community. To streamline processes, it is crucial for all Partnerships, including co-funded ones, to incorporate their calls for proposals and, when possible, their full implementation into the F&T Portal. This would allow for a clearer overview of participants and simplify the identification of relevant calls or evaluators for Co-funded Partnerships. The various implementation processes should converge into a single digital platform.

The increased reporting burden now overshadows the time spent on co-programming and building synergies. Decreasing administrative burden and unnecessary reporting is essential to allow partners to focus on implementation, develop synergies and accelerate results and impact.

For Co-Programmed Partnerships, periodic or final project reports should include data relevant to Partnership KPIs (e.g. number of demonstrations, number of trainings, etc), consolidated electronically to directly feed into KPI reporting. Given the large share of beneficiaries not directly involved in partnerships, this method assures reliable impact monitoring data. Additionally, the 60% funding rate in Innovation Actions (IAs) for Co-Programmed Partnerships, which has been a lengthy “pilot,” requires a thorough analysis of its influence on industry participation before any extension in the 2nd part of Horizon Europe. The interpretation of funding rates should not be confused with leverage effects.

Recommendation 5 – Address the challenges faced by the Co-funded Partnerships

Co-funded Partnerships rely entirely on the commitment of Member States and Associated Countries (or regions) willing to contribute national investments, which are often perceived as insufficient and unreliable due to national constraints. This variability can limit participation for research actors, as it is tied to national timelines and participation rules, complicating the landscape for beneficiaries. National funding conditions challenge wide transnational collaboration, this includes:

- **National funding access:** Postponing project starts by up to 6 months or cause execution delays between partners.
- **Diverse national (or regional) funding conditions:** Different requirements impact participation and cost coverage of organisations (e.g. some countries may only fund personnel costs for new hires, excluding current staff, or not funding city councils under the DUT partnership. In CETP, funding of different strands from national and regional funds makes building a consortium difficult).
- **Unreliable national investments:** Announcements of national funding can be withdrawn unexpectedly, leading to wasted resources in proposal preparation.
- **Limited funding volumes:** Low national funding restricts the involvement of multiple partners from the same country, hindering the integration of nationally developed competencies into projects.

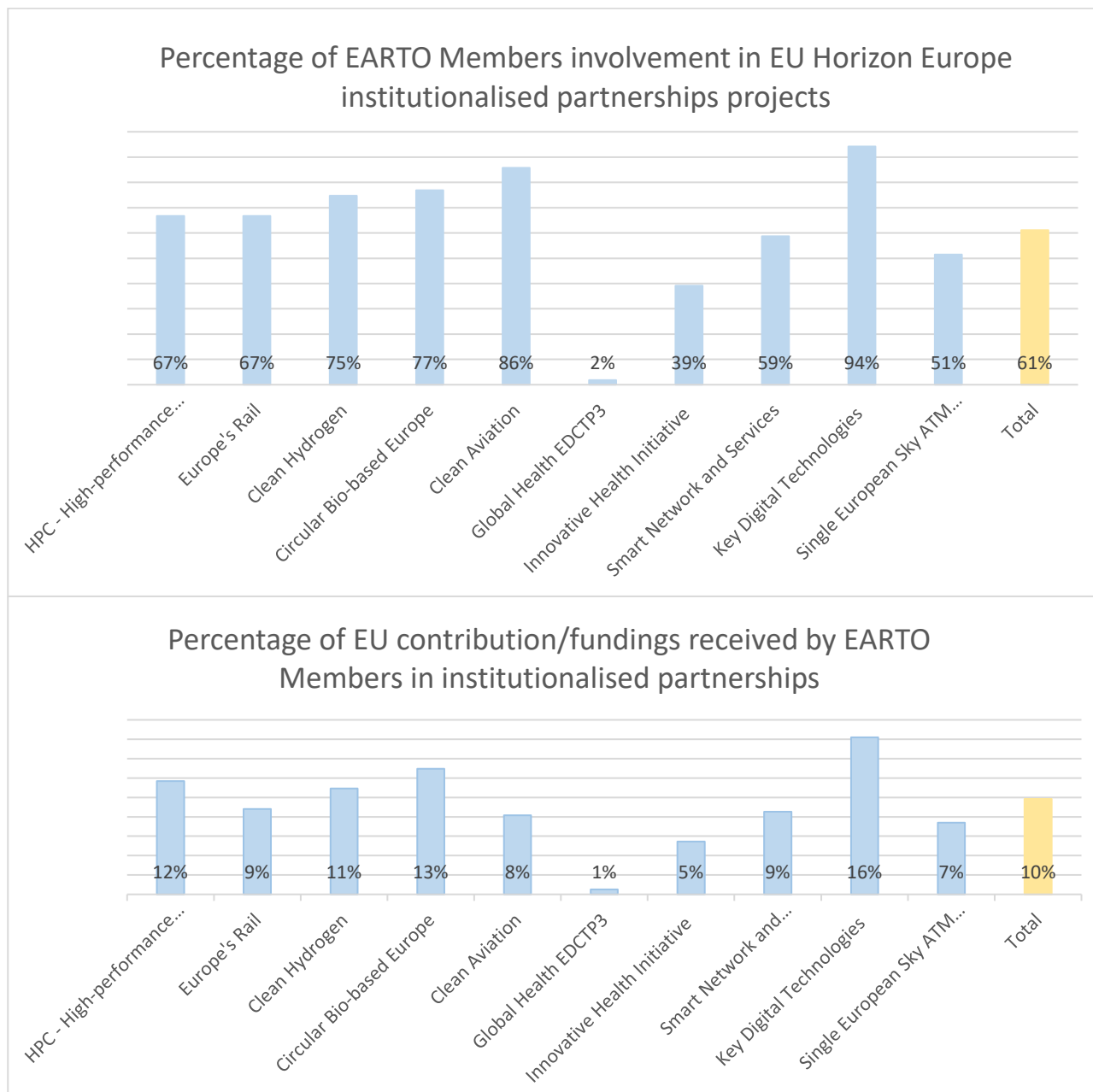
To address these challenges, the following revisions are recommended:

- **Secure solid commitment by Member States and Associated Countries** to provide reliable and sustainable investments.
- **Create a simplified and easily accessible structure** for participating countries.
- **Streamline the application and implementation process of projects** by integrating them into the [F&T Portal](#), including national application processes.
- **Increase transparency by involving future beneficiaries and stakeholders in a structured dialogue**, improving the communication of current haphazard invitations of stakeholders to workshops or requests for poorly defined and time-consuming in-kind contributions.
- **Foster synergies between EU Partnerships** to maximise collaborative potential and cross-fertilisation.
- **Harmonise participation rules within the same call** to facilitate collaboration and reduce administrative burdens.

EARTO remains ready to provide additional input. Our experts are available for further discussion with the EU institutions to ensure the successful implementation of Horizon Europe and proper preparation of FP10, capitalising on the strengths of current European Public-Private Partnerships.

Annex 1 - RTOs' Participation in European Partnerships

As beneficiaries, RTOs are directly involved in Co-programmed and Institutionalised Partnerships. In Co-funded Partnerships, RTOs participate in their respective Member States which organises the joint calls co-financed by the EC. Our newly [updated analysis of EARTO members' participation in Horizon Europe](#) (using 2024 eCORDA data) shows that RTOs are active in all EU Co-Programmed and Institutionalised European Partnerships. EARTO Members are involved in 61% of Horizon Europe Partnership projects receiving 10% of the EU funding for Partnerships.



EARTO - European Association of Research and Technology Organisations

Founded in 1999, EARTO promotes RTOs and represents their interest in Europe. EARTO network counts over 350 RTOs in more than 31 countries. EARTO members represent 228,000 highly-skilled researchers and engineers managing a wide range of innovation infrastructures.

RTOs - Research and Technology Organisations

From the lab to your everyday life. RTOs innovate to improve your health and well-being, your safety and security, your mobility and connectivity. RTOs' technologies cover all scientific fields. Their work ranges from basic research to new products and services' development. RTOs are non-profit organisations whose core mission is to produce, combine and bridge various types of knowledge, skills and infrastructures to deliver a range of research and development activities in collaboration with public and industrial partners of all sizes. These activities aim to result in technological and social innovations and system solutions that contribute to and mutually reinforce their economic, societal and policy impacts.

EARTO Working Group RD&I Programmes: is composed of more than 160 experts. This WG is looking at the implementation of the EU RD&I Framework Programmes (Horizon 2020 & Horizon Europe), focusing on monitoring their elaboration, simplification and evaluation. This WG is also looking at how RTOs can be involved in and benefit from projects under the European Digital Programme as well as the European Structural and Investment Funds, but also the role of RTOs in Smart Specialisation Strategies as well as the synergies between the Cohesion Policy and the EU RD&I Programmes.

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