POSITION PAPER

Horizon Europe and the next Framework Programme for Research and Innovation

Greenovate!
EUROPE

Increasing impact in Horizon Europe and the next Framework Programme

Europe faces many challenges including an increasingly unstable global order, climate change, war, the erosion of democracy, and growing global competition. Europe's competitiveness, security and resilience are dependent on strong innovation. Public investment will be essential to this task, and the next Framework Programme must meet the scale of the challenge, being sure to overcome the barriers that hinder research from becoming market ready. Horizon Europe and its successor have a strategic role for Europe. The next Framework Programme must not only fund R&D but also streamline commercialisation pathways and reduce administrative burdens to maximise impact.

After months of speculation over the structure and size of Horizon Europe, Greenovate! Europe welcomes the European Commission's proposal to almost double Horizon Europe's budget to €175 billion under the next Multiannual Financial Framework. We also appreciate the decision to maintain FP10 as "standalone" programme within a €409 billion European Competitiveness Fund. However, further clarification is needed regarding the "tight connection" with the ECF, as this may risk FP10's autonomy and ringfenced budget. We also welcome the proposal of an increased budget of €75.8 billion of Pillar II. We believe that Pillar II must be strengthened in its role of funding collaborative research that directly enhances industrial competitiveness, while also increasing the quality and performance of the entire socio-economic system, tackling major social challenges with a systemic, transdisciplinary and participatory approach.

We recognise that while Horizon Europe has made significant improvements over past Framework Programmes there remain major challenges to the transfer of innovative research results into marketable products and services, as well as to guiding policy development. With publication of the Commission's proposal, G!E, in consultation with its members, can present its recommendations to ensure Horizon Europe and its successor drive real innovation impact.

Recommendations: Design more flexible and less prescriptive calls that can adapt to evolving technologies and needs on the ground

Make calls less prescriptive and allow for change: FP10 needs to become more flexible, enabling researchers to respond to the fast-changing field of science and innovation. This should entail call texts which focus on the challenge to be solved, rather than on specific technologies, to enable bottom-up excellence by providing greater freedom in defining the research scope. As such, we welcome the EC proposal to reduce the length of the work programme with less prescriptive calls. At the same time, FP10 should allow for adjustments to incorporate emerging technologies that were not foreseeable when the project was initially defined.

Define calls based on local challenges for enhanced impact and better alignment with regional and national priorities: All communities face unique challenges. Pillar II calls need to be aligned with local issues, to make projects more relevant and to directly address regional needs. Projects should be better aligned with Research and Innovation Strategies for Smart Specialisation (RIS3) and EU Regional Policy, ensuring that calls can be adaptable to the priorities and needs of EU regions. Accordingly, RIS3 should maintain a higher flexibility and greater alignment for results to be mainstreamed into regional innovation strategies, supported by regional funds. Designing project calls based on local needs not only ensures relevance but also that projects' innovations fit into the local context and are more likely to succeed.

Recommendations: Simplify administrative rules and improve evaluation processes to encourage broader participation

Improve accessibility for SMEs as essential partners for disruptive innovation: Although SME participation in the FPs has grown, current participation levels do not reflect the significance of SMEs in the European economy. SME involvement is crucial to ensure market uptake of innovations, develop sound business models, understand the value chain, and create market-relevant policy recommendations. FP10 should reduce barriers for SMEs by introducing dedicated rules and funding streams with simplified application processes and faster disbursement mechanisms, and by strengthening instruments like the EIC Accelerator and Pathfinder. The proposal to fund SME activities up to 100% of eligible costs for both innovation and research and innovation activities is highly welcome. For additional SME engagement, the network of innovation clusters established in the Built4People partnership should be replicated in all co-funded partnerships to enable the participation of more SMEs and local stakeholders in EU funded research.

Increase use of Financial Support for Third Parties (FSTP) in calls: FSTP can maximise the impact of the EU funds at different levels while introducing flexibility and reducing bureaucracy. FSTP reduces administration for funding bodies by delegating financial management to intermediary organisations, who in turn can design and distribute funds for specific needs and engage a wider range of stakeholders, enabling greater bottom-up innovation. For beneficiaries (SMEs, start-ups, researchers), FSTP reduces barriers to EU funding, lowers administrative burden and enables quicker funding decisions. They also benefit from being able to participate in high-profile projects, creating connections with established organisations, and, in many cases, gaining mentorship, training, and technical assistance from the main project consortium.

Success Story: GALACTICA – Enabling SMEs to innovate through financial support to third parties

The GALACTICA project, which involved G!E member Technological Corporation of Andalusia (CTA), aimed to support the creation of new industrial value chains in the textile and aerospace sectors by facilitating the uptake of Industrial Intelligent Systems and Internet of Things. The project allocated **€4 million to support SMEs** through various mechanisms, including €3 million in direct financial support via two open calls, hackathons, and travel grants.

In total, GALACTICA supported **81 SMEs** from 18 different countries with direct funding. It successfully showcased that **cascade funding is highly effective** for supporting SMEs in bringing their innovations to market, offering agility and flexibility tailored to their specific needs, providing both financial and non-financial support with minimal bureaucracy.

Simplify application for international partners: We support the EC proposal to further reinforce international cooperation to contribute towards EU competitiveness and excellence in R&I. EU innovators need to collaborate with international partners for scientific and technological excellence. Simplifying the application process for international partnerships (for example, when co-funding mechanisms with third countries are

used) will foster global collaborations, making it easier for impact to be achieved as global researchers and can engage with European innovation initiatives.

Expand, but speed-up, two-stage proposals: FP10 should streamline proposal requirements and minimise administration so that applicants can focus on the scientific and technological impact of their projects. Expanding the use of two-stage proposals for complex topics can further help in this regard by minimising the time spent on getting first concept validation. However, the timespan of evaluation for two-stage proposals must then also be significantly reduced; there is far too long a delay between submission of the first stage and progression to the second stage. The benefits of the two-stage process are significantly reduced when developing a two-stage proposal takes more than a year from first stage submission to grant signature.

Accelerate funding decisions: Although two-stage proposals are beneficial for complex proposals, single-stage proposals should still be used for simpler calls. Faster decision-making will allow projects to launch more quickly, keeping pace with technological advancements. We welcome the proposed reduction of the maximum time to grant of 7 months and encourage further simplification.

Expand lump sum funding: We support the EC proposal to make lump sum funding the default form of EU contribution – this helps to simplify financial management and reduce administrative complexities for participants. Shifting focus from detailed expenditure tracking to project results and impact allows researchers and innovators to concentrate on delivering high-quality outcomes and makes participation more accessible, especially for small entities and newcomers.

Improve evaluation consistency and introduce negotiation and rebuttal mechanisms: A calibration phase – where evaluators align scoring benchmarks before assessments – could improve consistency of evaluation results. In EU funding evaluations, even 'Excellent' proposals can be rejected due to misinterpretations or subjective judgments, with no opportunity for rebuttal. Introducing a structured negotiation or clarification phase – where applicants can respond to evaluators' concerns – would enhance fairness, improve funding outcomes, and ensure that high-potential projects are not lost due to avoidable misreading.

Recommendations: Encourage greater use of social sciences, foresight and citizen engagement to enhance the acceptance and uptake of results

Ensure the inclusion of Social Sciences and Humanities (SSH) across all calls: To effectively address social challenges, a comprehensive approach is required, considering societal needs, cultural contexts, and the human dimension of technologies. Partnering with organisations specialised in understanding citizens' needs, values and experiences - including intangible aspects such as emotions and judgements - will enhance the acceptance of technological innovation.

Success Story: InteractionSeeds – Facilitating innovation through cultural interactions

The Interaction Seeds project, co-ordinated by G!E member Dowel, aims to facilitate transformative change by promoting knowledge valorisation and fostering interaction between Science & Technology, the Cultural & Creative Industries, and Society. Running until December 2025, the project is developing a robust methodology for Research and Innovation stakeholders to implement it.

A key achievement of the project is the creation of a **growing repository of inspiring art-science interactions** that have proven effective in **communicating science to citizens and co-creating solutions** for a more sustainable future. The project demonstrates how diverse disciplines can collaborate and tackle societal challenges—while adapting to diverse contexts and providing **replicable approaches to public engagement**.

The seeds sown by the other InteractionSeeds partners - Clube, GAIA and RISE (all members of G!E) - are already bearing fruit. Important insights, such as the creation of the **Art-Science Facilitator** role and the potential continuation of the initiatives through sustainable living labs, are the first valuable results

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Focus funding on promoting the transfer of knowledge and innovation to public policies: Tackling societal challenges requires solution-oriented research and effective knowledge sharing between knowledge institutions and public authorities. Such institutions, with their independence and expertise, are ideal spaces for experimentation and co-creation of knowledge and have an important role to play in transferring knowledge into public policy. FP10 should increase support for knowledge transfer through the establishment of partnerships between knowledge institutions and local governments. By strengthening the role of knowledge institutions in local policies, the FPs can ensure that research is translated into impactful solutions at the local level.

Use foresight for scenario planning rather than static forecasting: To ensure that innovations can meet future needs, integrating foresight into FP10 can help projects to align with EU priorities by exploring plausible developments in technology, society, and environmental conditions. This proactive, participatory approach allows stakeholders to assess risks, opportunities, and trade-offs under different scenarios, enhancing systemic resilience and long-term impacts. Embedding foresight in monitoring and evaluation frameworks could also ensure that emerging knowledge feeds back into policy and programming. A relevant method can be the JRC's Scenario Exploration System (SES), which has been used by various EU services and stakeholders to navigate complex future policy landscapes and improve policy coherence.

Increase use of co-creation approaches and methodologies: To further strengthen forecasting, it is essential to emphasise the role of co-creation in participatory assessments. Co-creation ensures that all relevant stakeholders, including citizens, experts, and policy makers, collaborate in the decision-making process, making foresight and assessment processes more inclusive and context-sensitive. By engaging a diverse range of perspectives, co-creation fosters a deeper understanding of local needs, challenges, and opportunities, which can lead to more effective and adaptable policy solutions. Participatory assessments not only enhance the relevance and acceptance of outcomes but also empower stakeholders to take ownership of the solutions, ensuring that the future scenarios developed are more likely to reflect and address real-world concerns. This collaborative approach is critical in addressing complex, interconnected challenges, fostering innovation, and building consensus around sustainable solutions that are aligned with both immediate and long-term policy goals.

Require projects, particularly Innovation Actions, to work more closely with end-users and stakeholders for uptake of innovations: Innovations can only be adopted if they truly fit the needs of end-users and stakeholders, who must also be ready to accept them. Social Sciences and Humanities bring essential skills for working with end users and their integration should be further encouraged, particularly in pilot and demo sites where involvement of citizens is necessary. This requires locally embedded clusters and experts who can understand the local context and engage stakeholders in the national language. Even where pilot sites are not used, projects should include citizen-science approaches, allowing non-experts to contribute to activities such as data collection, analysis and problem-solving, as integrating diverse perspectives and insights helps to legitimise the results achieved. For many researchers, this will also entail capacity building activities to get used to these approaches and learn new methodologies. Such capacity building exercises should also be included within project scope.

Success Story: Co-do Lab – Envisioning and co-creating future scenarios

The Co-do Lab is a service provided by G!E member CSCP, focused on guiding companies, cities, and civil society organisation through their **sustainability transformation journeys.** One of the services of the lab are the **Future Visioning Workshops**, which are a participatory, cross-functional format where key stakeholders come together to explore alternative, plausible future scenarios and develop a shared vision to guide them.

This approach was implemented in private projects such as Future of **Sustainable Packaging in European Commerce 2030**, resulting in four explorative foresight scenarios outlining potential trajectories for European trade packaging to 2030 based on varying paths in regulation, innovation and market dynamics. The co-do lab approach will be further implemented in EU projects such as **CATALYST** and **iCOSHELLS**.

By engaging a diverse range of perspectives, the co-do lab not only fosters a deeper understanding of local needs, challenges, and opportunities, but also broadens the **decision-making horizon** of the stakeholders involved and helps break their habitual thinking patterns.

Integrate ethics management as a reflective, ongoing process to strengthen trust and research integrity: Beyond regulatory compliance, projects benefit from embedding ethics management as a continuous and participatory process. Ethics should not be treated as a fixed deliverable, but as an evolving framework of reflection, dialogue and deliberation. FP10 should further promote the inclusion of dedicated ethics facilitators throughout project lifecycles, fostering moral awareness, contextual interpretation of principles such as the Precautionary Principle, and co-responsibility among partners. A dynamic ethics process reinforces public trust, ensures research integrity, and enhances the societal uptake and resilience of innovations.

Recommendations: Rethink necessary activities, partnership requirements and support for projects to ensure maximum impact of their research

Ensure participation of horizontal expertise to support researchers and SMEs: Projects need proper support to maximise the impact of their results beyond the funding period. Most researchers and many SMEs do not have the requisite experience or knowledge to develop business plans or manage IPR. To enable this, consortia often look to external experts to support them and oversee their impact maximisation activities, but in the case of Innovation Actions, which have most potential and need most support, these experts can be difficult to engage due to unfavourable funding rates. Communication, Dissemination and Exploitation experts support the projects, but do not generate their own IP, exploitable results, or other benefits. As such, under HEU working at 70% has often been prohibitive for the engagement of such actors, especially SMEs. In this regard, we support the EC proposal to apply one single funding rate of up to 100% for all types of actions for SMEs.

Update exploitation requirements to reflect the need for higher impact: HEU increased ambition for exploitation activities, and while this has had an impact, the EU still lags behind its competitors in converting research into businesses, products and services. The requirements for exploitation plans should therefore be redefined and require tangible exploitation actions extending beyond the project lifetime, identifying the responsible partners, the actions to be taken, and how they align with stakeholder interest. From the plan, it should be clear how actions will advance results to higher TRLs, as well as identifying post-project funding sources (such as venture capital, other national/EU public grants, or industry partnerships). Realistic business models for commercial exploitation should be developed, with clearly defined IP ownership and licensing terms.

Success Story: NewTechAqua – Supporting exploitation of project results

The main goal of **NewTechAqua** project was to expand and diversify European aquaculture production of finfish, molluscs and microalgae by developing and validating technologically-advances, resilient and sustainable applications. Among its breakthroughs was a novel saltwater aquaponic system. The G!E member **Gate2Growth (G2G)** led the exploitation and market uptake, ensuring a strong pipeline of commercially viable innovations. The project achieved the following results:

- Nine innovations reached TRL 7+.
- Three were recognised by the **EU Innovation Radar** for high market potential: zero-waste fish feed (AIA), improved feed efficiency genetics (MOWI), and salmon lice infection modelling.
- The project earned the 2023 **WestMED Best Project Award** and the **MedFish4Ever Award** for IRTA's aquaponic system.
- G2G developed the **Business Plan Writer**, a tool supporting investor readiness and entrepreneurial capacity beyond the project.

NewTechAqua laid the foundation for a resilient, circular, and innovation-driven aquaculture sector aligned with Europe's sustainability and food security goals.

Incentivise the implementation of post-project exploitation actions: While it is an obligation to report on exploitation activities for four years after project end, there is often too little motivation to see these activities through, with staff members moved onto new projects and activities. In Innovation Actions, this could be overcome with additional funding for companies that successfully implement the exploitation actions set out in the enhanced exploitation plan, as set out above (e.g., increasing funding from 70 to 80% of eligible costs for for-profits, increase of overheads for not-for-profits). This would incentivise partners to devise realistic exploitation actions in the exploitation plan, as well as to see through their actual implementation.

Reconsider and restructure EU-funded support services: Existing support services such as the Innovation Radar, Horizon Results Booster, Horizon Standardisation Booster, and European IP Helpdesk should be simplified and restructured into a single dedicated fund that assists innovations in progressing from TRL 6 to 9. The most promising results, once uploaded in the Participants Portal, could be automatically transferred to the EIC Accelerator/Transition programme or result owners could receive financial support (e.g., Innovation Vouchers) to engage experts who can help them to get in front of investors.

Make better use of project results for policy impact: Maximising the impact of projects also requires improved mechanisms for developing policy recommendations and policy uptake. When projects implement policy outreach actions, they often face challenges in engaging with policy makers, who are busy with their own portfolios and activities. This includes local, regional and national policy makers as well as executive agencies. The EC and other institutions should more actively engage with projects, facilitating platforms for knowledge exchange with policy makers where political priorities can be discussed. The EC could take the lead in organising policy roundtable or pitching session with projects to ensure feedback rounds and enhance the relevance of policy recommendations for their agenda.
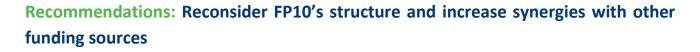

Success Story: REBALANCE project – re-thinking mobility to guide future transportation policy

Co-ordinated by G!E member ISINNOVA, the REBALANCE project conducted an open, deliberative, **forward-looking exercise** towards a **transformative transport policy strategy**. By integrating insights from diverse **social science disciplines and applying foresight methodologies**, the project moved beyond the traditional focus on technological innovation. Instead, it contributed to stimulate a **paradigm shift** in mobility, reflecting ethical, cultural and social values often overlooked in transport planning.

Although the project's vision for the future of EU transportation was radical, the project offered practical, immediately applicable steps for transforming transportation. Its main outcomes - the **REBALANCE Manifesto** and the **Policy Roadmap** - present a bold yet actionable vision for the **mobility culture of the future**. Unlike other foresight studies that focus primarily on technological solutions, REBALANCE used four contrasting models of mobility culture to stimulate thinking, combining dimensions such as strength, justice, connection, and speed.

Improve ways to keep the legacy and networks built during projects: To improve the sustainability and impact of research and innovations in HE projects, it is essential to focus on preserving the legacy and networks established during the project's lifetime. Project beneficiaries should be encouraged to participate in topic-specific platforms that curate and showcase best practices from successful exploitation efforts within HE projects. By highlighting effective strategies from other projects, FP10 can reduce the likelihood of failures and maximise the potential for long-term success. This approach will be particularly relevant to Innovation Actions aiming to valorise results after the end of the project. Strengthened mechanisms for sharing successful strategies and innovations across regions would also foster mutual learning, for example through establishing city/region networks.

Recommendations: Reconsider FP10's structure and increase synergies with other funding sources

Generate and promote frontier innovation: To regain competitiveness, Europe needs an R&I system capable of producing frontier innovation and its exploitation in global markets. Thus, in addition to an increase in the EIC budget, it is necessary to introduce a fast-track mechanism 'for funding 'high potential impact' actions (inspired, for example, by the US ARPA), which allocates a significant share of the funds to actions aimed at researching and developing solutions for priority societal challenges. We support the EC proposal to increase EIC's budget to € 37.7 billion and include more ARPA-inspired elements in its operations. FP10 also needs to equip itself with methods and tools for assessing the impact and level of achievement of the objectives over time, including in the long term.

Rethink the organisational and operational framework: To achieve the objectives of the framework programme, interventions and organisational reforms will be required at various levels, including revisiting the roles, functioning and competencies of Executive Agencies, with particular reference to the current lack of a systematic link between the strategic objectives inspiring the work programmes and the resulting project results (feedback to policy). At the same time, the project evaluation process needs to be revised (ex-ante, in-itinere and ex-post) in order to simplify it, increase its transparency and, above all, shift the focus from process to results. In parallel, the availability of appropriate expertise, both external (the evaluators) and internal (the Commission services), must be verified so that the emphasis on substance prevails over bureaucratic control.

Strengthen local and regional innovation ecosystem: Funding should enhance local and regional innovation ecosystems, aligning with the European Innovation Valleys initiative. Supporting innovation at the regional level will foster balanced economic growth and strengthen Europe's overall competitiveness. This should include more intensive and effective use of experimentation spaces, such as incubators, sandboxes, living labs and testbeds. Where they exist, clusters are powerful tools that can be utilised to serve the purpose of strengthening the innovation ecosystems.

Unlock the potential of Public Procurement of Innovation: PPI is a powerful tool to build demand for technologies with public sector purchasing power. With more PPI projects, FP10 can accelerate market adoption of innovative products and services, stimulate private-sector R&D investments, enhance the competitiveness of European companies and strengthen local and regional innovation ecosystems by creating early markets for new technologies, and – perhaps more importantly – building credibility for novel and non-proven solutions. FP10 can fund technical assistance to public buyers, create financial incentives to reduce risk for public authorities, and support cross-border collaboration for uptake at scale.

Success Story: HOOP – Enabling public procurement of innovation through open market consultations

The HOOP project, coordinated by G!E member CETENMA, supported **8 lighthouse cities and regions** in developing large-scale urban **circular bioeconomy initiatives** focusing on making bio-based products from

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urban biowaste and wastewater. Throughout the project, cities and regions implemented innovative urban procurement process to stimulate the urban bioeconomy market.

A crucial component of the project was the organisation of **Open Market Consultations** (OMCs) in Murcia (ES), Porto (PT), and Bergen (NO), which served as a first step in the development of public procurement of innovation. OMCs played an important role in supporting procurers in analysing market structures, identifying barriers, and assessing technological readiness. By engaging with the market, they provided public purchasers with early insights into innovative solutions, encouraged competition, and increased the visibility of risks.

Enable access to funding for excellent projects: In the first two years of HEU, 71% of proposals evaluated as excellent did not proceed to funding due to limited budget. A higher overall budget will ensure that more excellent projects can be funded, but a Seal of Excellence, as trialled in H2020 and the 2025 Work Programme, could be used to attract national and private resources, as well as Structural and Investment Funds. The Seal would certify that the proposal has undergone evaluation and has been deemed of high quality, and increase their visibility, improving chances of support from other sources of finance.

Encourage co-ordination and involvement of Member States and regions: European funding represents a minority share of total EU R&I expenditure. To further strengthen the leverage role of the FP while increasing its effectiveness and accessibility, it is necessary to encourage Member States to fund projects that have received the Seal of Excellence in the European evaluations, thus helping to compensate for currently low-level FP success rates. Efforts should also promote and fund capacity-building actions at regional or multi-regional level to effectively capture sub-national specificities regarding their degrees of development and related needs.

Maximise synergies among actors, programmes and instruments: The variety and multiplicity of programmes and instruments supported by the new framework programme should help to ensure that all perspectives of R&I (knowledge creation, technological innovation, industrial and economic growth, meeting social needs and aspirations) are considered with targeted commitments and resources. To this end it is necessary to adopt a systemic approach also when defining the R&I governance framework, avoiding as far as possible a dispersed distribution of responsibilities.

Recommendations: Introduce further measures to reduce the East-West innovation divide

Implement more flexible and targeted funding allocation: Implement a tiered funding model where Eastern and Central European innovators receive proportionally higher grants or co-funding to counterbalance existing gaps. Increase regional innovation funds focused on collaboration between Eastern/Central and Western EU members.

Enhance collaboration between regions: Promote partnerships between innovation hubs and less-developed regions through initiatives like innovation-oriented smart specialisation strategies and value chain integration.

Success Story: CEE2ACT – Enabling knowledge exchange and capacity building

CEE2ACT, coordinated by Greenovate! Europe member GEONARDO, is empowering countries in Central Eastern Europe and beyond (Bulgaria, Croatia, Czech Republic, Greece, Hungary, Poland, Romania, Serbia, Slovakia and Slovenia) to develop circular bioeconomy strategies and action plans through **innovative governance models**.

Using a **bottom-up approach**, the project promotes **knowledge exchange,** informed decision-making processes and societal engagement, drawing on the experience of partners from **contributing countries** (Austria, Germany, The Netherlands, Belgium, Spain, Finland, Sweden). It aims to transfer knowledge and build bioeconomy and innovation capacities by connecting bioeconomy stakeholders and policy makers from **Central, Eastern and Western European countries**.

GEONARDO is also leading the development of **digital tools**, including inventories of best practices and e-learning modules, to strengthen national capacities via the **CEE2ACT National Bioeconomy Hubs**. The project is currently working on **developing 10 bioeconomy roadmaps**, which will be delivered in October 2025.

Leverage EU funding programmes: Use programs such as Horizon Europe's Widening initiative to support researchers in underperforming regions, facilitating their integration into the broader European research community. Expand funding under programs like Teaming, Twinning, and ERA Chairs, which have helped Eastern European institutions improve their research capacities. Introduce larger, longer-term funding mechanisms for developing R&D infrastructure in underperforming regions.

Ensure participation of East- and Central-European expertise to support researchers and SMEs: Just as Horizon Europe linked funding eligibility to gender equality, FP10 could require large-scale research projects to include institutions from Eastern and Central Europe. In order to facilitate this, a 'Widening Participation Plan' (WPP) for EU R&D projects could be introduced as a mandatory deliverable, requiring institutions to show how they plan to collaborate with underrepresented innovation regions, share resources and expertise, and strengthen research capacity in Central and Eastern Europe.

The following members have contributed to the production of this Position Paper: