

Global Investment and Innovation Incentives

G*i*³ alert

European Commission adopts main work programme of Horizon Europe for 2023-2024

On 6 December 2022, the European Commission adopted the main Horizon Europe work programme for 2023-2024, with a budget of **EUR 13.5 billion** to support researchers and innovators in Europe to pursue breakthrough solutions for environmental, energy, digital, and geopolitical challenges. In the light of the new geopolitical situation, this work programme also includes a special emphasis on actions that contribute to a safe and secure Europe, help reduce energy and other dependencies, and build a more robust economic base.

EU to become the world's first climate-neutral continent by 2050

Horizon Europe will direct over 42% of available funding to climate objectives, including projects that advance the science of climate change or develop solutions to reduce greenhouse gas emissions and adapt to the changing climate. A dedicated part of the overall budget for each cluster is reserved for addressing climate objectives, as follows:

- Climate, Energy, and Mobility: 90%;
- Food, Bioeconomy, Natural Resources, Agriculture, and Environment: 55%;
- Digital, Industry, and Space: 48%; and
- Health: 5.5%.

Additionally, 8.5% of funding is dedicated to biodiversity-related policy objectives.

EU Missions

Horizon Europe has introduced the EU Missions as a new concept to address some of the greatest global challenges that affect our daily lives. The European Commission has planned an investment of over **EUR 600 million** for researchers and innovators addressing the following five missions by the year 2030:

- Adaptation to climate change;
- Cancer;
- Restore our ocean and waters;
- 100 climate neutral and smart cities; and
- Soil deal for Europe.

A proportion of the budget (65.3%) allocated to EU Missions will also contribute to climate action.

Europe's digital decade

The work programme will dedicate **EUR 3.6 billion** over 2023-2024 to lay the groundwork for the digital transition of all actors of society, including enterprises. Actions supported will help to maximise the full potential of human-centric digital tools and data-enabled research and innovation in a wide range of sectors, such as healthcare, cultural and creative industries, energy, mobility, and food production, and will support the deep transformations required for modernisation of traditional industrial models.

Novelties in evaluation process

Following the experience gained in the first two years of the programme, Horizon Europe now includes a number of new aspects, referred to as "novelties" in the evaluation process. Project impact criteria have been clarified, with revised definitions and consistent terminology, which will recur in every call topic for medium- and long-term impact evaluation beyond the conclusion of the project. A pilot is introduced for anonymous project evaluation, to address concerns about possible evaluator bias favouring well-known organisations in countries with better performing research and innovation systems. Another pilot allows applicants the right to respond to experts' individual comments, improving feedback and increasing the transparency of the evaluation process.

General participation requirements

Legal entities are eligible for funding if they are established in a European Union (EU) member state, one of the Overseas Countries or Territories (OCTs) linked to an EU member state, a country associated to Horizon Europe, or one of the low- to middle-income countries identified as such by Horizon Europe. Legal entities in other countries may still be able to receive funding if their participation is considered essential by the granting authority. Unless otherwise specified in the call conditions, legal entities must form a consortium of at least three independent entities, each established in a separate country, with at least one in an EU member state. Further conditions may apply, depending on the specific call.

If you have any questions concerning the items in this alert, please contact your usual tax consultant at our Deloitte office in Belgium or:

- Renaud Hendricé, <u>rhendrice@deloitte.com</u>, +32 496 578 441
- Jan Pattyn, jpattyn@deloitte.com, + 32 2 600 68 55
- Julie Jadoul, jjadoul@deloitte.com, + 32 2 600 62 52
- Sofie Meerschaut, smeerschaut@deloitte.com, + 32 2 455 81 11
- Francisco Caetano, fdossantoscaetano@deloitte.com, + 32 2 749 53 88

For general inquiries, please contact: bedeloittetax@deloitte.com, + 32 2 600 60 00

Be sure to visit us at our website: Global Business Tax | Deloitte Belgium

Stay tuned with the latest developments:

Tax News and Insights | Deloitte Academy

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), , its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see www.deloitte.com/about for a more detailed description of DTTL and its member firms.

Deloitte provides industry leading audit and assurance, tax and legal, consulting, financial advisory, and risk advisory services to nearly 90% of the Fortune Global 500° and thousands of private companies. Our professionals deliver measurable and lasting results that help reinforce public trust in capital markets, enable clients to transform and thrive, and lead the way toward a stronger economy, a more equitable society and a sustainable world. Building on its 175 plus year history, Deloitte spans more than 150 countries and territories. Learn how Deloitte's more than 345,000 people worldwide make an impact that matters at www.deloitte.com

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the "Deloitte Network") is, by means of this communication, rendering professional advice or services. No entity in the Deloitte network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.

© 2022 Deloitte Belgium

Subscribe | Unsubscribe