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*Plenary sitting*

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**A9-0290/2023**

11.10.2023

**\*\*\*I**

## **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)

Rapporteurs for the opinions of associated committees pursuant to Rule 57 of the Rules of Procedure:

Eva Maria Poptcheva, Committee on Economic and Monetary Affairs  
Marie-Pierre Vedrenne, Committee on Employment and Social Affairs

Tiemo Wölken, Committee on the Environment, Public Health and Food Safety  
Rovana Plumb, Committee on Regional Development

***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 Articles 177(1), 164, 173(3), 178(1), 175(3), 192(1), 182(1) 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 59 of its Rules of Procedure,
  - having regard to the joint deliberations of the Committee on Budgets and the Committee on Industry, Research and Energy;
  - having regard to the opinions of the Committee on Economic and Monetary Affairs, the Committee on Employment and Social Affairs, the Committee on the Environment, Public Health and Food Safety and the Committee on Regional Development,
  - having regard to the letters from the Committee on Foreign Affairs and the Committee on Agriculture and Rural Development.
  - having regard to the report of the of the Committee on Budgets and the Committee on Industry, Research and Energy (A9-0290/2023),
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**

#### **Title**

*Text proposed by the Commission*

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

*Amendment*

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), **(EU) 2021/1755**, No 1303/2013, (EU) No 223/2014, (EU) 2021/1060, (EU) 2021/523, (EU) 2021/695, (EU) 2021/697 and (EU) 2021/241

**Amendment 2**

**Proposal for a regulation**  
**Recital 2**

*Text proposed by the Commission*

(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,<sup>40</sup> the Critical Raw Materials Act<sup>41</sup>, the Net Zero Industry Act<sup>42</sup>, the new Temporary Crisis and Transition Framework for State aid,<sup>43</sup> **and** REPowerEU.<sup>44</sup> 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.

*Amendment*

(2) The EU industry has proven its inbuilt resilience but ***its competitiveness must also be ensured in the future***. High inflation, labour shortages, post-COVID supply chains disruptions, ***Russia's war of aggression against Ukraine***, rising interest rates, and spikes in energy costs and input prices are weighing on the competitiveness of the EU industry ***and have highlighted the importance for the Union to secure its open strategic autonomy and reduce its strategic dependence on third countries in various sectors***. 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,<sup>40</sup> the Critical Raw Materials Act<sup>41</sup>, the Net Zero Industry Act<sup>42</sup>, the new Temporary Crisis and Transition Framework for State aid<sup>43</sup>, ***and the Recovery and Resilience Facility<sup>43a</sup>, as amended by REPowerEU.***<sup>44</sup> While these solutions provide fast and targeted support,

the EU needs a more structural answer to the investment needs of its industries, safeguarding cohesion, ***creating quality jobs***, and the level playing field in the Single Market, ***facilitating access to funding*** and ***reducing*** the EU's strategic dependencies. ***The adaptation of new, different State aid frameworks has facilitated the potential allocation of substantial volumes of state aid. Under more adverse circumstances, this situation possesses the capacity to undermine the efficacy of the internal market.***

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

<sup>41</sup> COM(2023) 160 final

<sup>42</sup> COM(2023) 161 final

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

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

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

<sup>41</sup> COM(2023) 160 final

<sup>42</sup> COM(2023) 161 final

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

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

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

### Amendment 3

#### Proposal for a regulation Recital 2 a (new)

*Text proposed by the Commission*

*Amendment*

***(2a) The Single Market has brought significant economic, social, and political advantages to the entire Union, including its citizens and businesses. While these benefits are widely recognised, it is imperative to continue finding solutions to further harness its untapped societal potential. The Commission communication of 16 March 2023 entitled “The Single Market at 30” paves the long-term strategic direction of the Single***

***Market. The future Single Market must remain adaptable in the face of evolving geopolitical dynamics, technological advancements, and the green and digital transitions, while fostering the resilience of health systems in the face of an ageing population and contributing to enhance the Union's long-term competitiveness and productivity.***

**Amendment 4**  
**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, ***net-zero*** technologies and biotechnologies ***and life sciences*** will be essential to ***reduce the Union's strategic dependencies***, seize the opportunities and meet the objectives of the green and digital transitions, thus ***securing the sovereignty and strategic autonomy of the Union and*** 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 ***lifelong learning***, trainings and apprenticeships and the creation of attractive, quality jobs accessible to all.

**Amendment 5**  
**Proposal for a regulation**  
**Recital 4**

*Text proposed by the Commission*

(4) There is a need to support critical

*Amendment*

(4) There is a need to support critical



technologies in the following fields: deep and digital technologies, *clean* technologies, and biotechnologies (including the respective *critical raw materials value chains*), in particular projects, companies and sectors with a critical role for EU's competitiveness and resilience *and its value chains*. *By way of example, deep technologies and digital technologies should include microelectronics, high-performance computing, quantum technologies (i.e., computing, communication and sensing technologies), cloud computing, edge computing, and artificial intelligence, cybersecurity technologies, robotics, 5G and advanced connectivity and virtual realities, including actions related to deep and digital technologies for the development of defence and aerospace applications. Clean technologies should include, among others, renewable energy; electricity and heat storage; heat pumps; electricity grid; renewable fuels of non-biological origin; sustainable alternative fuels; electrolyzers and fuel cells; carbon capture, utilisation and storage; energy efficiency; hydrogen and its related infrastructure; smart energy solutions; technologies vital to sustainability such as water purification and desalination; advanced materials such as nanomaterials, composites and future clean construction materials, and technologies for the sustainable extraction and processing of critical raw materials. Biotechnology should be considered to include technologies such as biomolecules and its applications, pharmaceuticals and medical technologies vital for health security, crop biotechnology, and industrial biotechnology, such as for waste disposal, and biomanufacturing.* The Commission may issue guidance to further specify the scope of the technologies in these three fields considered to be critical in accordance with this Regulation, in order to promote a common interpretation of the

technologies in the following fields: digital technologies, *net-zero* technologies, and biotechnologies *and life science, including medicinal products on the Union List of Critical Medicinal Products established pursuant to Article 6 of Regulation (EU) 2022/123 of the European Parliament and of the Council<sup>44a</sup> and their components, and the respective supply chains of those technologies*, in particular *in* projects, companies and sectors with a critical role for EU's competitiveness and resilience. *For reasons of legal clarity and coherence, the definition of digital technologies should be aligned with the definition contained in Decision (EU) 2022/2481 of the European Parliament and of the Council<sup>44b</sup> and the definition of net-zero technologies is aligned with the definition in Regulation (EU) .../... [Net-Zero Industry Act]. In the absence of a definition of biotechnologies in Union law, this Regulation should take over the OECD definition. Life sciences should include the application of scientific knowledge to fields such as biology, zoology, botany, ecology, physiology, biochemistry, microbiology, pharmacology, agronomy, medicine. Critical medicinal products, including active pharmaceutical ingredients, as listed in the Union List of Critical Medicinal Products, should be covered as well. The Union's open strategic autonomy and competitiveness cannot be enhanced without strengthening the supply chains in the technology sectors covered by this Regulation. Financial support to projects along the supply chain for the manufacturing of critical technologies therefore also contribute to the STEP objectives. Technologies should be considered critical when they bring an innovative, cutting-edge element with significant economic potential to the Single Market or contribute to the prevention or reduction of Union dependencies. The Commission should adopt a delegated act, at the latest two*

projects, companies and sectors to be supported under the respective programmes in light of the common strategic objective. ***Moreover, technologies in any of these three fields which are subjects of an Important Project of Common European Interest (IPCEI) approved by the Commission pursuant to Article 107(3), point (b) TFEU should be deemed to be critical, and individual projects within the scope of such an IPCEI should be eligible for funding, in accordance with the respective programme rules, to the extent that the identified funding gap and the eligible costs have not yet been completely covered.***

***months after the entry into force of this Regulation***, to further specify the scope of the technologies in these three ***sectors*** considered to be critical in accordance with this Regulation, in order to promote a common interpretation of the projects, companies and sectors to be supported under the respective programmes in light of the common strategic objective ***to reduce critical dependencies. When defining strategic dependencies, the Commission should build upon the assessments conducted in recent years. When defining strategic dependencies, the Commission should build upon the assessments conducted in recent years.***<sup>44b</sup> ***The Commission should review the delegated act in light of the findings of its interim evaluation report drawn up in accordance with this Regulation and adapt it to the then prevailing market conditions. As the Net-Zero Industry Act creates a comprehensive understanding of those European industries that are deemed necessary to reach the climate targets in 2050, Strategic Projects as identified under Regulation (EU) .../... [Net-Zero Industry Act] that comply with the resilience or competitiveness criteria of the Net-Zero Industry Act, in the spirit of the critical aspects of all technology projects under this Regulation, should be considered to fulfill the STEP objectives. The same should apply to Strategic Projects identified under Regulation (EU) .... [Critical Raw Materials Act].***

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<sup>44a</sup> ***Regulation (EU) 2022/123 of the European Parliament and of the Council of 25 January 2022 on a reinforced role for the European Medicines Agency in crisis preparedness and management for medicinal products and medical devices (OJ L 020 31.1.2022, p. 1)***

<sup>44b</sup> ***Decision (EU) 2022/2481 of the European Parliament and of the Council of 14 December 2022 establishing the***

**Digital Decade Policy Programme 2030**  
(OJ L 323, 19.12.2022, p. 4).

<sup>44c</sup> **Commission Staff Working document on Strategic dependencies and capacities (SWD(2021)352) and Commission Staff Working Document on EU strategic dependencies and capacities: second stage of in-depth reviews (SWD(2022)41), Commission Staff Working document 2023 Annual Single Market Report: Single Market at 30 (SWD(2023)26).**

## **Amendment 6**

### **Proposal for a regulation**

#### **Recital 5**

*Text proposed by the Commission*

(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.<sup>45</sup>

*Amendment*

(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 **investments in learning and life-long learning, the enhancement of relevant skills**, the creation of **quality** 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.<sup>45</sup> **Those actions have an important role to play in promoting a mind-set of reskilling and upskilling, boosting the competitiveness of**

***Union undertakings, in particular SMEs, and contributing to the creation of quality jobs with a view to realising the full potential of the green and digital transition in a socially fair, inclusive and just manner.***

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<sup>45</sup> Communication on a European Skills Agenda for sustainable competitiveness, social fairness and resilience, COM(2020) 274 final.

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<sup>45</sup> Communication on a European Skills Agenda for sustainable competitiveness, social fairness and resilience, COM(2020) 274 final.

## Amendment 7

### 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, Union*** 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. *While being open to every Member State, STEP should put specific emphasis on net-zero industry valleys as defined under Regulation (EU) .../... [Net-Zero Industry Act], on projects in territories included in the Territorial just transition plans as referred to in Article 11 of Regulation (EU) 2021/1056, on 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 8

### 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 Fund<sup>46</sup> 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,<sup>47</sup> 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,<sup>48</sup> which should be amended accordingly; and EUR ***1.5*** billion to the European Defence Fund.<sup>49</sup>

*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 Fund<sup>46</sup> and EUR ***4,2*** billion to increase the total amount of the EU guarantee available for the EU compartment under the InvestEU Regulation<sup>47</sup> 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,<sup>48</sup> which should be amended accordingly; and EUR **2,5** billion to the European Defence Fund.<sup>49</sup>

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

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

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

<sup>49</sup> Regulation (EU) 2021/697 establishing the European **Defence** Fund (OJ L 170, 12.5.2021, p. 149.)

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

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

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

<sup>49</sup> Regulation (EU) 2021/697 establishing the European **Defence** Fund (OJ L 170, 12.5.2021, p. 149.)

## Amendment 9

### 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,<sup>50</sup> the EU4Health programme,<sup>51</sup> 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

#### *Amendment*

(8) A Sovereignty Seal should be awarded to projects contributing to the STEP objectives, **taking into account the contribution of the projects to the strengthening and structuring of local industrial networks and their contribution to jobs**, 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,<sup>50</sup> the EU4Health programme,<sup>51</sup> the European Defence Fund, the Innovation Fund, **or the cohesion policy funds**, and regardless of whether the project has received funding under those

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.

instruments. These minimum quality requirements will be established with a view to identify high quality projects. ***Strategic projects as identified under Regulation (EU) .../... [Net-Zero Industry Act] that comply with the resilience or competitiveness criteria of the Net-Zero Industry Act are considered to contribute to the objectives of this Regulation, by either reducing or preventing strategic dependencies or bringing an innovative, cutting-edge element to the Single Market. Therefore, these Strategic Projects under the Regulation (EU).../... [Net-Zero Industry Act] should be awarded a Sovereignty Seal. Equally, as all Strategic Projects identified under the Regulation (EU) .../... [Critical Raw Materials Act] aim at fulfilling the objectives of this Platform, and should be awarded a Sovereignty Seal as well. To promote projects that will eventually contribute to the reduction of European strategic dependence from third countries, the Seal should be awarded only to projects managed by legal entities established inside the Union or a third country associated to the relevant programme. In the same spirit, if the project is managed by multiple legal entities, the Seal should only be awarded to the project, if at least one independent legal entity is established in a Member State and at least two other independent legal entities are established in different Member States or associated countries.*** 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. ***Member States should also be encouraged to take into account the Sovereignty Seal when granting financial support through their own programmes.***

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

<sup>51</sup> 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).

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

<sup>51</sup> 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 10

### 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,<sup>52</sup> 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,<sup>53</sup> 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

#### *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,<sup>52</sup> 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,<sup>53</sup> 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 consider **to** support for strategic projects identified in accordance with **Regulation (EU) .../... [Net Zero Industry Act] and**



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.

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<sup>52</sup> 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).

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

**Regulation .../... [Critical Raw Materials Act]** that are within the scope of Article 2 of **this** Regulation and for which rules on cumulative funding may apply.

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<sup>52</sup> 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).

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

## Amendment 11

### Proposal for a regulation Recital 9a (new)

*Text proposed by the Commission*

*Amendment*

**(9a) To ensure open strategic autonomy and enhance the market valorisation of R&I results in critical technologies, the Union must act as a standards-setter as outlined in the Commission communication of 2 February 2022 entitled “An EU Strategy on Standardisation Setting global standards in support of a resilient, green and digital EU single market”. Therefore, projects that include standardisation efforts in their proposal should be favoured in all the Union programmes providing funding under STEP. Moreover, it is imperative that projects under STEP consider standardisation in their implementation, in order to accelerate and scale up the deployment of a particular technology across the Single Market. Additionally, aligning international standards with European interests can ensure technological leadership and a level playing field globally. The Commission and Member States should undertake specific efforts to**

*support projects under STEP to actively engage in the development of standards and within national, European and, where appropriate, international standardisation.*

## **Amendment 12**

### **Proposal for a regulation Recital 9b (new)**

*Text proposed by the Commission*

*Amendment*

*(9b) Since trust is crucial element for investments, a governance structure should be put in place to ensure that STEP is implemented in an effective, efficient, fair and transparent manner. To that end, the Commission should set up a STEP Committee composed of experts on the various technologies covered by this Regulation as well as on the Union programmes and funds which provide financial support for the Platform. The STEP Committee should be charged with the awarding and promotion of the Sovereignty Seal and the management of the Sovereignty Portal and take on a coordinating role between the various networks and stakeholders that are relevant to achieve the objectives of the platform. Given that the technologies covered by this Regulation are constantly evolving, an Industrial Advisory Group on Strategic Technologies should be set up to assist the Commission by offering advice on latest technological developments and challenges faced by the sectors concerned. This Group should be composed of representatives of Union industry of the sectors covered by this Regulation. Geographical balance within the Industrial Advisory Group should be taken into account.*

## Amendment 13

### 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 under Union funding programmes, 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. **In order to increase the usefulness of the Sovereignty Portal for project promoters, the Portal should include a rapid simulator to give guidance on which Union programme or fund an individual project may be eligible for, without disclosing confidential business information and being legally binding.** 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 publication of information as regards projects related to security and defence should be assessed on a case-by-case basis and be limited to projects where the publication is deemed necessary by the project promoter or the Commission. Due attention should be paid to the need to protect confidentiality of security of information in defence matters.** The Portal should also list the

national competent authorities responsible for acting as contact points for the implementation of the STEP at national level. *The Commission should ensure the complementarity of the Portal with similar platforms, including the NZIA Platform, and should avoid red tape and administrative burdens.*

#### **Amendment 14**

##### **Proposal for a regulation Recital 10a (new)**

*Text proposed by the Commission*

*Amendment*

*(10a) 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 Union citizens, the Commission should report annually to the European Parliament and to the Council on the progress of the 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.*

#### **Amendment 15**

##### **Proposal for a regulation Recital 11**

*Text proposed by the Commission*

(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.

*Amendment*

(11) While the STEP relies on the reprogramming and reinforcement of existing programmes for supporting strategic investments, ***and reducing the Union dependencies***, it is also an important element for testing the feasibility and preparation of new interventions ***providing the necessary structural answer to the Union's investment needs. In particular, it can be considered*** as a step towards ***the establishment of*** a European Sovereignty Fund ***that could contribute to shaping and strengthening a European industrial policy by providing increased funding to European industry in the Multiannual Financial Framework post 2027.*** The ***interim*** evaluation in ***2025*** will assess the relevance of the actions undertaken ***and provide an update on the state of the dependencies of the Union and the most*** strategic sectors ***to strengthen its autonomy in a comprehensive way. In the interim evaluation, the Commission should also assess the feasibility of expanding the Sovereignty Portal to combine all existing publically available websites and provide information on Union programmes and funds under direct, shared and indirect management in one single Portal. It should*** and serve as ***a*** 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.***

**Amendment 16**

**Proposal for a regulation**  
**Recital 12**

(12) Directive 2003/87/EC<sup>54</sup> 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 calculated on the basis of Union figures for the period 2015-2017.

(12) Directive 2003/87/EC<sup>54</sup> should be amended to allow for additional financing with a financial envelope for the period 2024-2027 of EUR 5 billion **to be provided from the European Union's general budget**. 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. In line with the objectives of ensuring **economic, social and territorial** cohesion and promoting the Single Market, and in order to support the green transition and the development of **net-zero** technologies throughout the Union, the additional financial envelope should be made available through calls **for proposals for Strategic Projects as defined in Regulation EU (.../...) [Net-Zero Industry Act], provided they either comply with the resilience or competitiveness criteria in the selection process of strategic projects. Until 31 December 2025, the financial envelope should be available in equal parts** 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 calculated on the basis of Union figures for the period 2015-2017 **and to entities from all Member States. Technical assistance to Member States with a low level of participation as provided for in the latest revision of the ETS Directive should be maintained throughout those calls for proposals**.

<sup>54</sup> Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading (OJ L 275, 25.10.2003,

<sup>54</sup> Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading (OJ L 275, 25.10.2003,

p. 32).

p. 32).

## Amendment 17

### Proposal for a regulation

#### Recital 13

#### *Text proposed by the Commission*

(13) In order to extend support possibilities for investments aimed at strengthening industrial development and reinforcement of value chains in strategic sectors, the scope of support from the ERDF should be extended by providing for new specific objectives under the ERDF, without prejudice to the rules on eligibility of expenditure and climate spending as set out in Regulation (EU) 2021/1060<sup>55</sup> and Regulation (EU) 2021/1058<sup>56</sup>. In strategic sectors, it should also be possible to support productive investments in enterprises ***other than*** SMEs, which can make a significant contribution to the development of less developed and transition regions, as well as in more developed regions of Member States with a GDP per capita below the EU average. Managing authorities are encouraged to promote the collaboration between large enterprises and local SMEs, supply chains, innovation and technology ecosystems. This would allow reinforcing Europe's overall capacity to strengthen its position in those sectors through providing access to all Member States for such investments, thus counteracting the risk of increasing disparities.

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<sup>55</sup> Regulation (EU) 2021/1060 laying down common provisions (OJ L 231, 30.6.2021,

#### *Amendment*

(13) In order to extend support possibilities for investments aimed at strengthening industrial development and reinforcement of value chains in strategic sectors, the scope of support from the ERDF should be extended by providing for new specific objectives under the ERDF, without prejudice to the rules on eligibility of expenditure and climate spending as set out in Regulation (EU) 2021/1060<sup>55</sup> and Regulation (EU) 2021/1058<sup>56</sup>. In strategic sectors, it should also be possible to support productive investments in enterprises ***with a focus on*** SMEs ***and midcaps and*** which can make a significant contribution to the development of less developed and transition regions, as well as in more developed regions of Member States with a GDP per capita below the EU average. Managing authorities are encouraged to promote the collaboration between large enterprises and local SMEs, supply chains, innovation and technology ecosystems. This would allow reinforcing Europe's overall capacity to strengthen its position in those sectors through providing access to all Member States for such investments, thus counteracting the risk of increasing disparities. ***The resources programmed for these new specific objectives should be limited to a maximum of 20% of the initial allocation of the ERDF in accordance with Regulation (EU) 2021/1058.***

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<sup>55</sup> Regulation (EU) 2021/1060 laying down common provisions (OJ L 231, 30.6.2021,



p. 159).

<sup>56</sup> Regulation (EU) 2021/1058 on the European Regional Development Fund and on the Cohesion Fund (OJ L 224, 24.6.2021, p. 31).

p. 159).

<sup>56</sup> Regulation (EU) 2021/1058 on the European Regional Development Fund and on the Cohesion Fund (OJ L 224, 24.6.2021, p. 31).

## Amendment 18

### Proposal for a regulation Recital 14

#### *Text proposed by the Commission*

(14) The scope of support of the JTF, laid down in Regulation (EU) 2021/1056,<sup>57</sup> should also be extended to cover investments in **clean** technologies contributing to the objectives of the STEP by **large** enterprises, provided that they are compatible with the expected contribution to the transition to climate neutrality as set out in the territorial just transition plans. The support provided for such investments should not require a revision of the territorial just transition plan **where that revision would be exclusively linked to the gap analysis justifying the investment from the perspective of job creation.**

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<sup>57</sup> Regulation (EU) 2021/1056 establishing the Just Transition Fund (OJ L 231, 30.6.2021, p. 1).

## Amendment 19

### Proposal for a regulation Recital 14a

#### *Amendment*

(14) The scope of support of the JTF, laid down in Regulation (EU) 2021/1056,<sup>57</sup> should also be extended to cover investments in **net-zero** technologies **and addressing shortages of labour and skills in support of these investments**, contributing to the objectives of the STEP by enterprises with focus on **SMEs and mid-caps**, provided that they are compatible with the expected contribution to the transition to climate neutrality as set out in the territorial just transition plans. **In the context of support for enterprises other than SMEs, consideration should also be given to investments contributing to the creation of apprenticeships and jobs or providing education or training for new skills.** The support provided for such investments should not require a revision of the territorial just transition plan.

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<sup>57</sup> Regulation (EU) 2021/1056 establishing the Just Transition Fund (OJ L 231, 30.6.2021, p. 1).



***(14a) Member States should have the possibility to transfer all or part of their provisional allocation from the resources of the BAR to the ERDF or ESF+, provided that they are to support productive investments, which can make a significant contribution to the development of less developed and transition regions, as well as in more developed regions of Member States with a GDP per capita below the EU average, including in those regions and local communities that are most adversely affected by the withdrawal of the United Kingdom from the Union. The investments contributing to the objectives of the STEP to be funded under the ERDF and ESF+ and the BAR can serve similar purposes and have similar content since both aim ultimately to allow reinforcing Europe's overall capacity to strengthen its position in certain sectors through providing access to Member States for such investments, thus counteracting the risk of increasing disparities and mitigating negative impacts on economic, social and territorial cohesion.***

**Amendment 20**

**Proposal for a regulation  
Recital 14b**

***(14b) Member States should also have the possibility to transfer all or part of their provisional allocation from the resources of the BAR to the JTF, provided that these resources are to support actions that are compliant with approved Territorial Just Transition Plans, including in the just transition regions that are - directly or indirectly - most***

*affected by the withdrawal of the United Kingdom from the Union. Both JTF and the BAR can contribute to the objectives of STEP since both aim to ultimately allow regional economic diversification and reinforce Europe's overall capacity to strengthen its position in certain sectors through providing access to Member States to investments, thus counteracting the risk of increasing disparities and mitigating negative impacts on economic, social and territorial cohesion.*

## **Amendment 21**

### **Proposal for a regulation**

#### **Recital 16**

##### *Text proposed by the Commission*

(16) In order to help accelerate investments and provide immediate liquidity for investments supporting the STEP objectives under the ERDF, the ESF<sup>+59</sup> and the JTF, an additional amount of exceptional pre-financing should be provided in the form of a one-off payment with respect to the priorities dedicated to investments supporting the STEP objectives. The additional pre-financing should apply to the whole of the JTF allocation given the need to accelerate its implementation and the strong links of the JTF to support Member States towards the STEP objectives. The rules applying for those amounts of exceptional pre-financing should be consistent with the rules applicable to pre-financing set out in Regulation (EU) 2021/1060. Moreover, to further incentivise the uptake of such investments and ensure its faster implementation, the possibility for an increased EU financing rate of 100% for the STEP priorities should be available. When implementing the new STEP objectives, managing authorities are encouraged to apply certain social criteria

##### *Amendment*

(16) In order to help accelerate investments and provide immediate liquidity for investments supporting the STEP objectives under the ERDF, the ESF<sup>+59</sup> and the JTF, an additional amount of exceptional pre-financing should be provided in the form of a one-off payment with respect to the priorities dedicated to investments supporting the STEP objectives. The additional pre-financing should apply to the whole of the JTF allocation given the need to accelerate its implementation and the strong links of the JTF to support Member States towards the STEP objectives. The rules applying for those amounts of exceptional pre-financing should be consistent with the rules applicable to pre-financing set out in Regulation (EU) 2021/1060. Moreover, to further incentivise the uptake of such investments and ensure its faster implementation, the possibility for an increased EU financing rate of **up to** 100% for the STEP priorities should be available. When implementing the new STEP objectives, managing authorities are encouraged to apply certain social criteria

**or** promote social positive outcomes, such as creating apprenticeships and jobs for young disadvantaged persons, in particular young persons not in employment, education or training, applying the social award criteria in the Directives on public procurement when a project is implemented by a body subject to public procurement, and paying the applicable wages as agreed through collective bargaining.

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<sup>59</sup> Regulation (EU) 2021/1057 establishing the European Social Fund Plus (ESF+) (OJ L 231, 30.6.2021, p. 21).

**and** promote social positive outcomes, such as creating apprenticeships and **quality** jobs for young disadvantaged persons, in particular young persons not in employment, education or training, applying the social award criteria in the Directives on public procurement when a project is implemented by a body subject to public procurement, and paying the applicable wages as agreed through collective bargaining.

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<sup>59</sup> Regulation (EU) 2021/1057 establishing the European Social Fund Plus (ESF+) (OJ L 231, 30.6.2021, p. 21).

## Amendment 22

### 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 administrative closure of the programmes under the 2014-2020 period should be

#### *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 should be extended in Regulation (EU) No 1303/2013<sup>61</sup> and Regulation (EU) No

extended in Regulation (EU) No 1303/2013<sup>61</sup> and Regulation (EU) No 223/2014<sup>62</sup>. 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.

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

<sup>62</sup> Regulation (EU) 223/2014 on the Fund for European Aid on the Most Deprived

223/2014<sup>62</sup>. 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.

***Consequently, Member States should be able to submit the final payment application by 30 June 2025 and the documents referred to in Article 138 of Regulation (EU) No 1303/2013 by 15 February 2026, in order to give Member States sufficient time to finalise the process linked to the closure of projects.***

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 **10%** of the financial appropriations from resources under the Multiannual Financial Framework per programme. Amounts due exceeding the ceiling of **10%** 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.

***Taking into account the specific challenges of the outermost regions as defined in Article 349 TFEU, specific derogation should be provided as regards the deadline for the final application for an interim payment for the final accounting year and the interim payments in 2025 should be capped at 15%.***

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

<sup>62</sup> Regulation (EU) 223/2014 on the Fund for European Aid on the Most Deprived

## Amendment 23

### Proposal for a regulation

#### Recital 19

##### *Text proposed by the Commission*

(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.

##### *Amendment*

(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. ***To ensure a full absorption of available funds and provided that implementing partners do not have sufficient capacity to absorb the 25 % of the EU guarantee that is earmarked for them, the Commission may exceptionally grant more than 75 % of the EU guarantee to the EIB Group. In this context, the Commission should encourage and assist the implementing partners other than the EIB Group to absorb in full the funding that is available to them.*** 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. ***In general, the Commission and all authorities in charge of programmes contributing to the implementation of STEP should be encouraged to ensure consistency, coherence, complementarity and synergy among sources of funding with the STEP objectives.***

## Amendment 24

### 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

#### *Amendment*

(20) Horizon Europe is the EU's key funding programme for research and innovation, and its European Innovation Council (EIC) provides for support, ***in particular*** 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



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.

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. ***In accordance with Article 15(3) of Regulation (EU) 2018/1046, those*** 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 25

### Proposal for a regulation Recital 20a (new)

*Text proposed by the Commission*

*Amendment*

***(20a) The EIC plays a pivotal role in offering initial funding to fast growing startups and small mid-caps. With its specialised knowledge, the EIC is ideally positioned to enhance funding opportunities for companies seeking capital for scaling up beyond the initial innovation stage. However, 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 the 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.*

## **Amendment 26**

### **Proposal for a regulation Recital 21**

*Text proposed by the Commission*

(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.

*Amendment*

(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 **projects** in the field of deep and digital technologies contributing to the development of defence applications.

## **Amendment 27**

### **Proposal for a regulation Recital 21a**

*Text proposed by the Commission*

*Amendment*

***(21a) To maximise the impact of the loan support available under Regulation (EU) 2021/241 of the European Parliament and of the Council [RRF] in pursuit of the objectives laid down in Article 4 of that Regulation, Member States should be able to request additional***



*funding in the form of loans, drawn from the loan support remaining available under that Regulation after 1 September 2023, with a view to contributing the proceeds of those loans in the form of cash to the Member State compartment of InvestEU to support objectives of the STEP. Member States should be able to request such loan support until 15 December 2023.*

## Amendment 28

### 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<sup>1a</sup>, Regulation (EU) .../... [Net-Zero Industry Act ] and Regulation (EU) .../... [Critical Raw Materials Act].**

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**<sup>1a</sup> Decision (EU) 2022/2481 of the European Parliament and of the Council of 14 December 2022 establishing the Digital Decade Policy Programme 2030**

## Amendment 29

### Proposal for a regulation Article 2 – paragraph 1 – introductory part

#### *Text proposed by the Commission*

1. To strengthen European

#### *Amendment*

1. To strengthen European **industrial**

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:

sovereignty and security, ***reduce the Union's strategic dependencies***, accelerate the Union's green and digital transitions and enhance its competitiveness, favour a level playing field in the Single Market for investments throughout the Union, ***foster cross-border participation, including of SMEs, strengthen economic, social and territorial cohesion and solidarity among Member States and regions***, promote inclusive access to attractive, quality jobs ***and to facilitate access to finance for project promoters, streamlining the procedures and reducing the administration burden thereof***, the Platform shall pursue the following objectives:

## Amendment 30

### 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 4 of*** technologies in the following ***sectors***:

## Amendment 31

### Proposal for a regulation

#### Article 2 – paragraph 1 – point a – point i

##### *Text proposed by the Commission*

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

##### *Amendment*

(i) digital technologies, ***including multi-country projects as defined in Article 2, point (2) of Decision (EU) 2022/2481 of the European Parliament and of the Council and contributing to the targets and objectives of the Digital***

## **Amendment 32**

### **Proposal for a regulation**

#### **Article 2 – paragraph 1 – point a – point ii**

*Text proposed by the Commission*

(ii) *clean* technologies

*Amendment*

(ii) *net-zero* technologies *as defined in Article 3, point (...) of Regulation (EU) .../...[Net-Zero Industry Act];*

## **Amendment 33**

### **Proposal for a regulation**

#### **Article 2 – paragraph 1 – point a – point iii**

*Text proposed by the Commission*

(iii) biotechnologies

*Amendment*

(iii) biotechnologies, *as defined in the Annex to this Regulation and life science, including medicinal products on the Union List of Critical Medicinal Products and their components;*

## **Amendment 34**

### **Proposal for a regulation**

#### **Article 2 – paragraph 1 – point b**

*Text proposed by the Commission*

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

*Amendment*

(b) addressing shortages of labour and skills critical to all kinds of quality jobs in support of the objective *set out in* point (a), *in particular through lifelong learning and in close cooperation with social partners and education and training initiatives already in place, including the European Net Zero Industry Academies established pursuant to Article 23 of*

## **Amendment 35**

### **Proposal for a regulation**

#### **Article 2 – paragraph 1 – point ba (new)**

*Text proposed by the Commission*

*Amendment*

***(ba) 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.***

## **Amendment 36**

### **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:

2. The technologies, ***including their supply chains***, 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:

## **Amendment 37**

### **Proposal for a regulation**

#### **Article 2 – paragraph 2 – subparagraph 2(new)**

*Text proposed by the Commission*

*Amendment*

***By ... [two months after the entry into force of this Regulation], the Commission shall adopt a delegated act, to supplement this Regulation by defining how the***

*technologies, including their supply chains, referred to in paragraph 1, point (a), of this Article can meet the conditions of this paragraph. The delegated act shall be reviewed in light of the interim evaluation report referred to in Article 8.*

## Amendment 38

### Proposal for a regulation Article 2 – paragraph 3

*Text proposed by the Commission*

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.*

*Amendment*

*deleted*

## Amendment 39

### 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 II to Regulation (EU) .../... [Critical Raw Materials Act] which are indispensable** for the production **and functioning** of those products.

## **Amendment 40**

### **Proposal for a regulation Article 2 – paragraph 4a (new)**

*Text proposed by the Commission*

*Amendment*

**4a. Strategic projects as identified under Regulation (EU) .../... [Net-Zero Industry Act], that comply with either the resilience criteria as defined in Article 10(1)(a) of that Regulation or with the competitiveness criteria as defined in Article 10(1)(b) of that Regulation in the selection process of net-zero strategic projects, and and (EU) .... [Critical Raw Materials Act]) shall be considered to fulfil the objectives of the STEP Platform as referred to in paragraph 1 of this Article.**

## **Amendment 41**

### **Proposal for a regulation Article 2 – paragraph 4b (new)**

*Text proposed by the Commission*

*Amendment*

**4b. When implementing programmes and activities to achieve the objectives under this Regulation, the Commission and Member States shall put specific emphasis on supporting Net-Zero Industry Valleys as defined in Regulation (EU) .../... [Net-Zero Industry Act] projects in territories included in the Territorial just transition plans as referred to in Article 11 of Regulation (EU) 2021/1056. and 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 42

### 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:***

## Amendment 43

### 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;

## Amendment 44

### 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***

*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

shall be implemented in accordance with Regulation (EU) 2021/695;

implemented in accordance with *that* Regulation;

#### Amendment 45

##### 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.

#### Amendment 46

##### 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.

#### Amendment 47

##### Proposal for a regulation

##### Article 4 – title

###### *Text proposed by the Commission*

Sovereignty Seal and cumulative funding

###### *Amendment*

Sovereignty Seal, **combined** and



## Amendment 48

### 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 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.

#### *Amendment*

1. The Commission shall award a Sovereignty Seal to any **project** contributing to any of the Platform 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 Regulation (EU) 2021/695, Regulation (EU) 2021/694, Regulation (EU) 2021/697, Regulation (EU) 2021/522, **Regulation (EU) 2021/1060** or Commission Delegated Regulation (EU) 2019/856, **or has been identified as a strategic project as defined in Regulation (EU) .../... ('Net Zero Industry Act'), if that project complies with either the resilience criteria as defined in Article 10(1), point (a), of that Regulation or with the competitiveness criteria as defined in Article 10(1)(b) of the NZIA Regulation in the selection process of net-zero strategic projects, or as defined in Regulation (EU) .../... ('Critical Raw Materials Act'). Those calls for proposals shall be continuously open .**

## Amendment 49

### Proposal for a regulation Article 4 – paragraph 1 a (new)

#### *Text proposed by the Commission*

#### *Amendment*

**1a. When assessing whether a project contributes to any of the Platform**

*objectives in accordance with paragraph 1, the Commission shall take into account the contribution of the project to the strengthening and structuring of local networks of industrial actors and its contribution to the creation of jobs.*

## **Amendment 50**

### **Proposal for a regulation Article 4 – paragraph 1 b (new)**

*Text proposed by the Commission*

*Amendment*

**1b.** *The Sovereignty Seal shall be valid for the period of the implementation of the project, during which there shall be a commitment from the company not to relocate the project outside of the Union. If a project has not started within five years of the award of the Sovereignty Seal, it can be reviewed for the purpose of compatibility with STEP strategic priorities. When conducting the above-mentioned review, the Commission shall ensure that all projects comply with Union's and national labour law, social rights and workers' rights, as well as applicable collective agreements.*

## **Amendment 51**

### **Proposal for a regulation Article 4 – paragraph 1 c (new)**

*Text proposed by the Commission*

*Amendment*

**1c.** *The Sovereignty Seal shall not be awarded to projects managed by a legal entity established in a third country that is not associated to the Union programme concerned or, where it is established in the Union or in an associated country that has its executive management structures in a non-associated country.*

## Amendment 52

### Proposal for a regulation Article 4 – paragraph 1 d (new)

*Text proposed by the Commission*

*Amendment*

***1d. Projects managed by legal entities forming a consortium shall be awarded a Sovereignty Seal only if at least one independent legal entity forming that consortium is established in a Member State and at least two other independent legal entities forming that consortium are established in different Member States or associated countries.***

## Amendment 53

### Proposal for a regulation Article 4 – paragraph 2 – introductory part

*Text proposed by the Commission*

*Amendment*

2. The Sovereignty Seal ***may*** be used as a quality label, in particular for the purposes of:

2. The Sovereignty Seal ***shall*** be used as a quality label, in particular for the purposes of:

## Amendment 54

### Proposal for a regulation Article 4 – paragraph 2 – point a

*Text proposed by the Commission*

*Amendment*

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

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

## Amendment 55

### 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.

**Amendment 56**

**Proposal for a regulation**  
**Article 4 – paragraph 3**

*Text proposed by the Commission*

3. When revising their recovery and resilience plans in accordance with Regulation (EU) 2021/241, Member States shall, without prejudice to the provisions of that Regulation, consider as a priority **action** which have been awarded a Sovereignty Seal in accordance with paragraph 1.

*Amendment*

3. When revising their recovery and resilience plans in accordance with Regulation (EU) 2021/241, Member States shall, without prejudice to the provisions of that Regulation, consider as a priority **projects**, which have been awarded a Sovereignty Seal in accordance with paragraph 1.

**Amendment 57**

**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/.*

## **Amendment 58**

### **Proposal for a regulation Article 4 – paragraph 5**

*Text proposed by the Commission*

5. Under Regulation (EU) 2021/523, the Sovereignty Seal shall be taken into account in the context of the procedure provided for in Article 19 of the European Investment Bank Statute and of the policy check as laid down in Article 23(3) of that Regulation. In addition, the implementing partners shall examine projects having been awarded the Sovereignty Seal in case they fall within their geographic and activity scope as laid down in Article 26(5) of that Regulation.

*Amendment*

5. Under Regulation (EU) 2021/523, the Sovereignty Seal shall be taken into account in the context of the procedure provided for in Article 19 of the European Investment Bank Statute and of the policy check as laid down in Article 23(3) of that Regulation. In addition, the implementing partners shall examine ***in a timely manner*** projects having been awarded the Sovereignty Seal in case they fall within their geographic and activity scope as laid down in Article 26(5) of that Regulation.

## **Amendment 59**

### **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 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;*

*(b) to award the Sovereignty Seal to projects funded by the Cohesion policy funds that contribute to the Platform objectives as set out in Article 2 of this Regulation;*

*(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 Industrial 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 an Industrial 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.*

## Amendment 60

### 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.**

## Amendment 61

### 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 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:

1. The Commission shall establish a dedicated publicly available website (the ‘Sovereignty portal’), providing information about funding opportunities for projects linked to the Platform objectives and **granting** visibility to those projects, in particular by displaying the following information:



## Amendment 62

### Proposal for a regulation

#### Article 6 – paragraph 1 – point a

*Text proposed by the Commission*

(a) *ongoing and upcoming calls for proposals and calls for tender linked to the Platform objectives under the respective programmes and funds,*

*Amendment*

(a) *information about Union programmes and funds within the scope of this Regulation and* (ongoing and upcoming calls for proposals and calls for tender linked to the Platform objectives under the respective programmes and funds;

## Amendment 63

### 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;

## Amendment 64

### Proposal for a regulation

#### Article 6 – paragraph 3 a (new)

*Text proposed by the Commission*

*Amendment*

**3a. The Sovereignty Portal shall include a rapid simulator to provide project promoters, especially SMEs, guidance on the Union programme or fund for which their particular project may be eligible. The simulator shall not require project promoters to provide confidential business information and its results shall not be legally binding on the authorities responsible for the awarding of funding**

## Amendment 65

### Proposal for a regulation

#### Article 6 – paragraph 4 a (new)

*Text proposed by the Commission*

*Amendment*

**4a. For projects related to security and defence, information shall be displayed only on a case-by-case basis, if deemed necessary by the project promoter or the Commission, taking into consideration the confidentiality of security of information in defence matters.**

## Amendment 66

### Proposal for a regulation

#### Article 7 – title

*Text proposed by the Commission*

*Amendment*

*Annual report*

***Monitoring and annual reporting***

## Amendment 67

### Proposal for a regulation

#### Article 7 – paragraph 1

*Text proposed by the Commission*

*Amendment*

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

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.***

## Amendment 68

### Proposal for a regulation

#### Article 7 – paragraph 1 a (new)

*Text proposed by the Commission*

*Amendment*

***1a. 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.***

#### **Amendment 69**

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

*Text proposed by the Commission*

*Amendment*

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

#### **Amendment 70**

##### **Proposal for a regulation Article 7 – paragraph 2**

*Text proposed by the Commission*

*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.

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.***

#### **Amendment 71**

##### **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***;

## **Amendment 72**

### **Proposal for a regulation**

#### **Article 7 – paragraph 3 – point b a (new)**

*Text proposed by the Commission*

*Amendment*

- (ba) an impact assessment determining how the accumulated projects under STEP contribute to the Union’s strategic objectives on ensuring long-term competitiveness;***

## **Amendment 73**

### **Proposal for a regulation**

#### **Article 7 – paragraph 3 – point b b (new)**

*Text proposed by the Commission*

*Amendment*

- (bb) an analysis of the geographical and technological distribution of the projects that have been awarded the Sovereignty Seal.***

## **Amendment 74**

### **Proposal for a regulation**

#### **Article 8 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

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.

1. By 31 December 2025, the Commission shall provide the European Parliament and the Council with an ***interim*** evaluation report on the implementation of the Platform, ***on the state of dependencies of the Union, and on the sectors of strategic importance for its sovereignty,***

*for the purpose of informing the decision-making process on the post-2027 multiannual financial framework in a timely manner.*

## Amendment 75

### 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***, consider the continued relevance of all objectives and ***projects***, in view of their potential upscaling, ***and assess the feasibility of combining all existing publicly available websites managed by the Commission and providing information on Union programmes and funds under direct, shared and indirect management in a single portal, to bring Union funding opportunities closer to potential beneficiaries and enhance transparency towards Union citizens.***

## Amendment 76

### 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 amendments of this Regulation.

#### *Amendment*

3. Where appropriate, the ***interim*** evaluation ***report*** shall be accompanied by a proposal for amendments of this Regulation ***or by a legislative proposal for a fully-fledged European Sovereignty***

*Fund, with the aim of helping to shape and strengthen a European industrial policy and to reduce strategic dependencies of the Union, and which ensures the correct functioning of the single market, while avoiding market distortions and creating a level playing field in the Union and third countries. Where the Commission chooses not to present a legislative proposal for a European Sovereignty Fund, it shall provide reasons for its decision in its interim evaluation report.*

#### **Amendment 77**

##### **Proposal for a regulation Article 8 – paragraph 3 a (new)**

*Text proposed by the Commission*

*Amendment*

**3a. 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 Platform. The final evaluation report shall be accompanied by a thorough assessment of differentiated territorial impacts and effects on cohesion resulting from the implementation of the Platform.**

#### **Amendment 78**

##### **Proposal for a regulation Article 9 – paragraph 1 – point 1 Directive 2003/87/EC Article 10a – paragraph 8 – subparagraph 6**

*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

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 .../...<sup>63</sup> [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*

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 [Article 3, point (a)] of Regulation (EU) .../... [Net-Zero Industry Act] by making* this financial envelope available *for Strategic Projects as defined in [Article 2, point (e)] the Regulation (EU) .../... [Net-Zero Industry Act], provided that they comply with the resilience or competitiveness criteria laid down in Article 10 (1), point (a) or (b), of Regulation (EU) .../... [Net-Zero Industry Act]. Until 31 December 2025, the* financial envelope shall made available *in equal parts* to support investments in:

(a) Member States whose average GDP per capita is below the Union average of the EU-27 measured in purchasing power standards (PPS) and calculated on the basis of Union figures for the period 2015-2017; *and*

*b) all Member States.*

*From 1 January 2026, unused funds of the financial envelope shall be made available to support these investments in all Member States.*

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

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<sup>62a</sup> *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. ...).*



## Amendment 79

### Proposal for a regulation

**Article 10 – paragraph 1 – point 2** Directive 2021/1058/EC

Article 2 – paragraph 1 – point b – point ix

#### *Text proposed by the Commission*

(ix) supporting investments contributing to the STEP objective referred to in Article 2(1), **point (a)(ii)** of Regulation .../... [STEP Regulation]

#### *Amendment*

(ix) supporting investments contributing to the STEP objective referred to in Article 2 of Regulation .../... [STEP Regulation]

## Amendment 80

### Proposal for a regulation

**Article 10 – paragraph 1 – point 3**

Regulation (EU) 2021/1058

Article 3 – paragraph 1a

#### *Text proposed by the Commission*

(3) In Article 3, the following paragraph 1a is inserted:

‘The resources under the specific objective referred to in Article 3(1), **first subparagraph**, points (a)(vi) and (b)(ix) shall be programmed under dedicated priorities corresponding to the respective policy objective.

The Commission shall pay 30 % of the ERDF allocation to **that priority** as set out in the decision approving the programme amendment as exceptional one-off pre-financing in addition to the yearly pre-financing for the programme provided for in Article 90(1) and (2) of Regulation (EU) 2021/1060 or in Article 51(2), (3) and (4) of Regulation (EU) 2021/1059. The exceptional pre-financing shall be paid by 31 December 2024, provided the Commission has adopted the decision approving the programme amendment by 31 October 2024.

#### *Amendment*

(3) In Article 3, the following paragraph 1a is inserted:

**1a** The resources under the specific objective referred to in Article 3(1), points (a)(vi) and (b)(ix) shall be programmed under dedicated priorities corresponding to the respective policy objective **and shall be limited to a maximum of 20% of the initial allocation of the ERDF.**

The Commission shall pay 30 % of the ERDF allocation to **the priorities referred to in the first subparagraph** as set out in the decision approving the programme amendment as exceptional one-off pre-financing in addition to the yearly pre-financing for the programme provided for in Article 90(1) and (2) of Regulation (EU) 2021/1060 or in Article 51(2), (3) and (4) of Regulation (EU) 2021/1059. The exceptional pre-financing shall be paid by 31 December 2024, provided the Commission has adopted the decision approving the programme amendment by 31 October 2024.

In accordance with Article 90 (5) of Regulation (EU) 2021/1060 and Article 51(5) of Regulation (EU) 2021/1059, the amount paid as exceptional pre-financing shall be cleared no later than with the final accounting year.

In accordance with Article 90(6) of Regulation (EU) 2021/1060, any interest generated by the exceptional pre-financing shall be used for the programme concerned in the same way as the ERDF and shall be included in the accounts for the final accounting year.

In accordance with Article 97(1) of Regulation (EU) 2021/1060, the exceptional pre-financing shall not be suspended.

In accordance with Article 105 (1) of Regulation (EU) 2021/1060, the pre-financing to be taken into account for the purposes of calculating amounts to be de-committed shall include the exceptional pre-financing paid.

By way of derogation from Article 112 of Regulation (EU) 2021/1060, the *maximum* co-financing rates for dedicated priorities established to support the STEP objectives *shall* be increased to 100 %.'

In accordance with Article 90 (5) of Regulation (EU) 2021/1060 and Article 51(5) of Regulation (EU) 2021/1059, the amount paid as exceptional pre-financing shall be cleared no later than with the final accounting year.

In accordance with Article 90(6) of Regulation (EU) 2021/1060, any interest generated by the exceptional pre-financing shall be used for the programme concerned in the same way as the ERDF and shall be included in the accounts for the final accounting year.

In accordance with Article 97(1) of Regulation (EU) 2021/1060, the exceptional pre-financing shall not be suspended.

In accordance with Article 105 (1) of Regulation (EU) 2021/1060, the pre-financing to be taken into account for the purposes of calculating amounts to be de-committed shall include the exceptional pre-financing paid.

By way of derogation from Article 112 of Regulation (EU) 2021/1060, the co-financing rates for dedicated priorities established to support the STEP objectives *referred to in Article 2 of Regulation.../... [STEP Regulation] may* all be increased *up* to 100 %.'

## Amendment 81

### Proposal for a regulation

#### Article 10 – paragraph 1 – point 4

Regulation (EU) 2021/1058

Article 5 – paragraph 2 – point e

#### *Text proposed by the Commission*

(e) 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

#### *Amendment*

(e) 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.

Point (e) shall apply to Interreg programmes where the geographical coverage of the programme within the Union consists exclusively of categories of regions set out in that point.

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, *while preserving a focus on SMEs and mid-caps*.

Point (e) shall apply to Interreg programmes where the geographical coverage of the programme within the Union consists exclusively of categories of regions set out in that point.

## Amendment 82

### Proposal for a regulation

**Article 10 – paragraph 1 – point 6** Regulation (EU) 2021/1058

Annex 1 – Table 1

*Text proposed by the Commission*

(6) In Annex I, Table I, the following row is added under policy objective 1:

	(vi) supporting investments contributing to the STEP objectives referred to in Article 2 of Regulation .../... [STEP Regulation]	Any RCO listed for specific objectives (i), (iii) and (iv)  RCO125 Firms: Enterprises supported linked primarily to <b>deep</b> and digital technologies productive investments  RCO126 Firms: Enterprises supported linked primarily to <b>clean</b> technologies productive investments  RCO127 Firms: Enterprises supported linked primarily to biotechnologies productive investments  [These indicators are to be reported as subsets of RC001-RC004]	Any RCR listed for specific objectives (i), (iii) and (iv)
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## *Amendment*

(6) In Annex I, Table I, the following row is added under policy objective 1:

	(vi) supporting investments contributing to the STEP objectives referred to in Article 2 of Regulation .../... [STEP Regulation]	<p>Any RCO listed for specific objectives (i), (iii) and (iv)</p> <p>RCO125 Firms: Enterprises supported linked primarily to digital technologies productive investments</p> <p>RCO126 Firms: Enterprises supported linked primarily to <b>net-zero</b> technologies productive investments</p> <p>RCO127 Firms: Enterprises supported linked primarily to biotechnologies productive investments</p> <p>[These indicators are to be reported as subsets of RC001-RC004]</p>	Any RCR listed for specific objectives (i), (iii) and (iv)
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## **Amendment 83**

### **Proposal for a regulation**

#### **Article 10 – paragraph 1 – point 7**

Regulation (EU) 2021/1058

Annex 1 – Table 1

### *Text proposed by the Commission*

(7) In Annex I, Table I, the following row is added under policy objective 2:

	(ix) supporting investments contributing to the STEP objectives referred to in Article 2 of Regulation .../... [STEP Regulation]	<p>Any RCO listed for specific objectives (i), (iii), (iv) and (vi) under policy objective 1</p> <p>RCO125 Firms: Enterprises supported linked primarily to <b>deep and</b> digital technologies productive investments</p> <p>RCO126 Firms: Enterprises supported linked primarily to <b>clean</b> technologies productive investments</p>	Any RCR listed for specific objectives (i), (iii) and (iv) under policy objective 1
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		RCO127 Firms: Enterprises supported linked primarily to biotechnologies productive investments  [These indicators are to be reported as subsets of RC001-RCO04]	
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*Amendment*

(7) In Annex I, Table I, the following row is added under policy objective 2:

	(ix) supporting investments contributing to the STEP objectives referred to in Article 2 of Regulation .../... [STEP Regulation]	Any RCO listed for specific objectives (i), (iii), (iv) and (vi) under policy objective 1  RCO125 Firms: Enterprises supported linked primarily to digital technologies productive investments  RCO126 Firms: Enterprises supported linked primarily to <b>net- zero</b> technologies productive investments  RCO127 Firms: Enterprises supported linked primarily to biotechnologies productive investments  [These indicators are to be reported as subsets of RC001-RCO04]	Any RCR listed for specific objectives (i), (iii) and (iv) under policy objective 1
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**Amendment 84**

**Proposal for a regulation**

**Article 11 – paragraph 1 – point 1**

Regulation (EU) 2021/1056

Article 2

*Text proposed by the Commission*

In accordance with the second  
subparagraph of Article 5(1) of Regulation  
(EU) 2021/1060, the JTF shall contribute

*Amendment*

In accordance with the second  
subparagraph of Article 5(1) of Regulation  
(EU) 2021/1060, the JTF shall contribute

to the specific objective of enabling regions and people to address the social, employment, economic and environmental impacts of the transition towards the Union's 2030 targets for energy and climate and a climate-neutral economy of the Union by 2050, based on the Paris Agreement. The JTF may also support investments contributing to the STEP objective referred to in Article 2(1), point (a)(ii) of Regulation .../... [STEP Regulation].

to the specific objective of enabling regions and people to address the social, employment, economic and environmental impacts of the transition towards the Union's 2030 targets for energy and climate and a climate-neutral economy of the Union by 2050, based on the Paris Agreement. The JTF may also support investments contributing to the STEP objective referred to in Article 2 of Regulation .../... [STEP Regulation].

## Amendment 85

### Proposal for a regulation

#### Article 11 – paragraph 1 – point 2

Regulation (EU) 2021/1056

Article 8 – paragraph 2 – new subparagraph

#### *Text proposed by the Commission*

The JTF **may** also support productive investments in enterprises ***other than SMEs*** contributing to the STEP objectives referred to in Article 2 of Regulation .../...<sup>65</sup> [STEP Regulation]. That support may be provided irrespective of whether the gap analysis was carried out in accordance with Article 11(2)(h) and irrespective of its outcome. Such investments shall only be eligible where they do not lead to relocation as defined in point (27) of Article 2 of Regulation (EU) 2021/1060. The provision of such support shall not require a revision of the territorial just transition plan ***where that revision would be exclusively linked to the gap analysis.***

<sup>65</sup> Regulation .../... of the European Parliament and of the Council ... [insert full title and OJ reference].

#### *Amendment*

The JTF also ***supports*** productive investments in enterprises, ***with a focus on SMEs and mid-caps***, contributing to the STEP objectives referred to in Article 2 of Regulation .../...<sup>65</sup> [STEP Regulation]. That support may be provided irrespective of whether the gap analysis was carried out in accordance with Article 11(2)(h) and irrespective of its outcome. Such investments shall only be eligible where they do not lead to relocation as defined in point (27) of Article 2 of Regulation (EU) 2021/1060. ***Apprenticeships and jobs, education or training for new skills shall be considered in the awarding decision.*** The provision of such support shall not require a revision of the territorial just transition plan.

<sup>65</sup> Regulation .../... of the European Parliament and of the Council ... [insert full title and OJ reference].

## Amendment 86

### Proposal for a regulation

#### Article 11 – paragraph 1 – point 3

Regulation (EU) 2021/1056

Article 10 – paragraph 4 – subparagraph 6

#### *Text proposed by the Commission*

By way of derogation from Article 112 of Regulation (EU) 2021/1060, the maximum co-financing rates for dedicated priorities established to support the STEP objectives **shall** be increased to 100 %.

#### *Amendment*

By way of derogation from Article 112 of Regulation (EU) 2021/1060, the maximum co-financing rates for dedicated priorities established to support the STEP **objectives referred to in Article 2 of Regulation .../... [STEP Regulation] may** be increased **up** to 100 %.

## Amendment 87

### Proposal for a regulation

#### Article 12 – paragraph 1 – point 1

Regulation (EU) 2021/1057

Article 12a

#### *Text proposed by the Commission*

In addition to the pre-financing for the programme provided for in Article 90(1) and (2) of Regulation (EU) 2021/1060, where the Commission approves an amendment of a programme including one or more priorities dedicated to operations supported by the ESF+ contributing to the STEP objectives referred to in Article 2 of Regulation .../...<sup>66</sup>[STEP Regulation], it shall make an exceptional pre-financing of 30% on the basis of the allocation to those priorities. The exceptional pre-financing shall be paid by 31 December 2024, provided the Commission has adopted the decision approving the programme amendment by 31 October 2024.

#### *Amendment*

In addition to the pre-financing for the programme provided for in Article 90(1) and (2) of Regulation (EU) 2021/1060, where the Commission approves an amendment of a programme including one or more priorities dedicated to operations supported by the ESF+ contributing to the STEP objectives referred to in Article 2 of Regulation .../...<sup>66</sup> [STEP Regulation], it shall make an exceptional pre-financing of 30% on the basis of the allocation to those priorities. ***This exceptional pre-financing shall also benefit operations which contribute to the deployment of the learning programmes of the European Net Zero Industry Academies as well as the training of young people and the skilling, upskilling and reskilling of workers in net-zero technologies.*** The exceptional pre-financing shall be paid by



31 December 2024, provided the Commission has adopted the decision approving the programme amendment by 31 October 2024.

<sup>66</sup> Regulation .../... of the European Parliament and of the Council ... [insert full title and OJ reference].

<sup>66</sup> Regulation .../... of the European Parliament and of the Council ... [insert full title and OJ reference].

Amendment 88

Proposal for a regulation  
Article 12 – paragraph 1  
Regulation (EU) 2021/1057  
Article 12a – paragraph 1 – sixth subparagraph

Text proposed by the Commission

By way of derogation from Article 112 of Regulation (EU) 2021/1060, the maximum co-financing rates for dedicated priorities established to support the STEP objectives shall be increased to 100 %.

Amendment

By way of derogation from Article 112 of Regulation (EU) 2021/1060, the co-financing rates for dedicated priorities established to support the STEP objectives ***referred to in Article 2 of Regulation .../... [STEP Regulation]*** may be increased ***up*** to 100 %.’

Amendment 89

Proposal for a regulation  
Article 13 – Paragraph 1 – Point 4  
Regulation (EU) 2021/1057  
Annex 1 – Table 1

Text proposed by the Commission

(4) In the Annex I, Table 1, the following rows are added:

INTERVENTION FIELD		Coefficient for the calculation of support to climate objectives	Coefficient for the calculation of support to environmental objectives
145a	Support for the development of skills or access to employment in <b>deep and</b> digital	0%	0%

	technologies, <b>biotechnologies.</b>		
145b	Support for the development of skills or access to employment in <b>clean</b> technologies.	100%	40%
188	Productive investments in large enterprises linked primarily to <b>clean</b> technologies.	100%	40%
189	Productive investments in SMEs linked primarily to <b>clean</b> technologies.	100%	40%
190	Productive investments in large enterprises linked primarily to biotechnologies.	0%	0%
191	Productive investments in SMEs linked primarily to biotechnologies.	0%	0%
192	Productive investments in large enterprises linked primarily to <b>deep and</b> digital technologies.	0%	0%
193	Productive investments in SMEs linked primarily to <b>deep and</b> digital technologies.	0%	0%

*Amendment*

(4) In the Annex I, Table 1, the following rows are added:

INTERVENTION FIELD		Coefficient for the calculation of support to climate change objectives	Coefficient for the calculation of support to environmental objectives
145a	Support for the development of skills or access to employment in digital technologies. <b>(contributing to STEP objectives in Article 2 of Regulation .../... [STEP Regulation])</b> .	0%	0%
145b	Support for the development of skills or access to employment in <b>net-zero</b> technologies. <b>(contributing to STEP objectives in Article 2</b>	100%	40%

	<b>of Regulation .../... [STEP Regulation]).</b>		
188	Productive investments in large enterprises linked primarily to <b>net-zero</b> technologies. <b>(contributing to STEP objectives in Article 2 of Regulation .../... [STEP Regulation]).</b>	100%	40%
189	Productive investments in SMEs linked primarily to net-zero technologies. <b>(contributing to STEP objectives in Article 2 of Regulation .../... [STEP Regulation]).</b>	100%	40%
190	Productive investments in large enterprises linked primarily to biotechnologies. <b>(contributing to STEP objectives in Article 2 of Regulation .../... [STEP Regulation]).</b>	0%	0%
191	Productive investments in SMEs linked primarily to biotechnologies. <b>(contributing to STEP objectives in Article 2 of Regulation .../... [STEP Regulation]).</b>	0%	0%
192	Productive investments in large enterprises linked primarily to digital technologies <b>(contributing to STEP objectives in Article 2 of Regulation .../... [STEP Regulation]).</b>	0%	0%
193	Productive investments in SMEs linked primarily to deep and digital technologies.	0%	0%

## **Amendment 90**

### **Proposal for a regulation**

#### **Article 13 – Paragraph 1 – Point 5**

Regulation (EU) 2021/1060

Annex 1 – Table 6

*Text proposed by the Commission*

- (5) In Annex I, Table 6, the following row is added:

11	Contributing to skills and jobs in <i>deep and</i> digital technologies, <i>clean</i> technologies, <i>biotechnologies</i>	0%	0%
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*Amendment*

- (5) In Annex I, Table 6, the following row is added:

11	Contributing to skills and jobs in digital technologies, <i>net-zero</i> technologies <i>(contributing to STEP objectives in Article 2 of Regulation .../... [STEP Regulation]).</i>	0%	0%
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**Amendment 91**

**Proposal for a regulation**

**Article 14 – Paragraph 1 – Point -1a**

Regulation (EU) 2013/1303

Annex 2 – point 29

*Text proposed by the Commission*

*Amendment*

**(-1a) In Article 2, point (29) is inserted:**

‘(29) ‘accounting year’, means, for the purposes of Part Three and Part Four, the period from 1 July to 30 June, except for the first accounting year of the programming period, in respect of which it means the period from the start date for eligibility of expenditure until 30 June 2015. The final accounting year shall be from 1 July **2024** to 30 June **2025**;’

## **Amendment 92**

### **Proposal for a regulation**

#### **Article 14 – Paragraph 1 – Point -1b**

Regulation (EU) 2013/1303

Article 24 – paragraph 1a(new)

*Text proposed by the Commission*

*Amendment*

***(-1b) In Article 24 the following paragraph (1a) (new) is inserted:***

***‘1a. By way of derogation from Article 60(1) and the first and fourth subparagraphs of Article 120(3), a co-financing rate of up to 100 % may be applied to expenditure declared in the final accounting year for one or more priority axes in a programme supported by the ERDF, the ESF or the Cohesion Fund. By way of derogation from Article 30(1) and (2) and Article 96(10), the application of the co-financing rate of up to 100 % shall not require a Commission decision approving a programme amendment. The Member State shall notify the revised financial tables to the Commission following approval by the monitoring committee. The co-financing rate of up to 100 % shall apply only if the financial tables are notified to the Commission before the submission of the final application for an interim payment for the final accounting year in accordance with Article 135(2).’***

## **Amendment 93**

### **Proposal for a regulation**

#### **Article 14 – Paragraph 1 – Point -1c**

Regulation (EU) 2013/1303

Article 65 – paragraph 2

*Text proposed by the Commission*

*Amendment*

***(-1c) In Article 65, paragraph 2 is***

*replaced by the following:*

**'2. Expenditure shall be eligible for a contribution from the ESI Funds if it has been incurred by a beneficiary and paid between the date of submission of the programme to the Commission or from 1 January 2014, whichever is earlier, and 31 December 2024. In addition, expenditure shall only be eligible for a contribution from the EAFRD if the relevant aid is actually paid by the paying agency between 1 January 2014 and 31 December 2024.**

#### **Amendment 94**

##### **Proposal for a regulation**

##### **Article 14 – paragraph 1 – point 1 - introductory part**

Regulation (EU) 2013/1303

Article 14 – paragraph 1 – point 1 - introductory part

*Text proposed by the Commission*

*Amendment*

**(1) In Article 135, the following paragraph 6 is added**

**(1) Article 135 is amended as follows:**

**(a) The following paragraph 6 is added:**

#### **Amendment 95**

##### **Proposal for a regulation**

##### **Article 14 – paragraph 1 – point 1 - introductory part**

*Text proposed by the Commission*

*Amendment*

**'6. By way of derogation from paragraph 2, the deadline for the submission of the final application for an interim payment for the final accounting year shall be 31 July 2025. The last application for interim payment submitted by 31 July 2025 shall be deemed to be the final application for an interim payment for the final accounting year.**

**(a) The following paragraph 6 is added:**

**'6. By way of derogation from paragraph 2, the deadline for the submission of the final application for an interim payment for the final accounting year shall be 31 July 2025. The last application for interim payment submitted by 31 July 2025 shall be deemed to be the final application for an interim payment for the final accounting year.**

Amounts from resources other than REACT-EU reimbursed by the Commission as interim payments in 2025 shall not exceed **1** % of the total financial appropriations to the programme concerned by Fund, REACT-EU resources excluded. Amounts that would be due to be paid by the Commission in 2025 exceeding this percentage shall not be paid and shall be used exclusively for the clearing of pre-financing at closure.’

## **Amendment 96**

### **Proposal for a regulation**

#### **Article 14 – paragraph 1 – point b**

Regulation (EU) 2013/1303

Article 4 – paragraph 1 – subparagraph 1

*Text proposed by the Commission*

Amounts from resources other than REACT-EU reimbursed by the Commission as interim payments in 2025 shall not exceed **10** % of the total financial appropriations to the programme concerned by Fund, REACT-EU resources excluded. Amounts that would be due to be paid by the Commission in 2025 exceeding this percentage shall not be paid and shall be used exclusively for the clearing of pre-financing at closure.’

*Amendment*

**(b)** *The following paragraph 6a is added:*

**‘6a.** *For the outermost regions as defined in Article 349 TFEU, by way of derogation from paragraph 2 the deadline for the submission of the final application for an interim payment for the final accounting year shall be 30 June 2025. The last application for interim payment submitted by 31 December 2025 shall be deemed to be the final application for an interim payment for the final accounting year.*

*Amounts from resources other than REACT-EU reimbursed by the Commission as interim payments in 2025 shall not exceed 15 % of the total financial appropriations to the programme concerned by Fund, REACT-EU resources excluded. Amounts that would be due to be paid by the Commission in 2025 exceeding this percentage shall not be paid and shall be used exclusively for the clearing of pre-financing at closure’*



## Amendment 97

### Proposal for a regulation

#### Article 14 – paragraph 1 – point 2

Regulation (EU) 2013/1303

Article 138 – subparagraph 2

*Text proposed by the Commission*

‘By way of derogation from the deadline set out in the first subparagraph, Member States may submit the documents referred to under points (a), (b) and (c) for the final accounting year by 15 February 2026.’

*Amendment*

‘By way of derogation from the deadline set out in the first subparagraph, Member States may submit the **final implementation report for the operational programme according to Article 141 and** the documents referred to under points (a), (b) and (c) for the final accounting year by 15 February 2026.’

## Amendment 98

### Proposal for a regulation

#### Article 14 – paragraph 1 – point 2a

Regulation (EU) 2013/1303

Article 141 – paragraph 1

*Text proposed by the Commission*

*Amendment*

**(2a) In Article 141, paragraph 1 is replaced by the following:**

**‘1. In addition to the documents referred to in Article 138, for the final accounting year from 1 July 2024 to 30 June 2025, Member States shall submit a final implementation report for the operational programme or the last annual implementation report for the operational programme supported by the EMFF.’**

## Amendment 99

### Proposal for a regulation

#### Article 16 – paragraph 1 – point 2 – point a

Regulation (EU) 2021/523

Article 4 – paragraph 1 – subparagraph 1

*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.;

**Amendment 100**

**Proposal for a regulation**

**Article 16 – paragraph 1 – point 2 – point aa**

Regulation (EU) 2021/523

Article 4 – paragraph 1 – subparagraph 4

*Text proposed by the Commission*

*Amendment*

***(aa) In paragraph 1, the following fourth subparagraph is inserted:***

***'An additional amount of the EU guarantee may also be provided in the form of cash by Member States to the Member State compartment to support the objectives referred to in Article 2 of Regulation .../... [STEP Regulation] using the proceeds of loans granted to Member States pursuant to Article 33a of Regulation 2021/241 [RRF Regulation].'***

**Amendment 101**

**Proposal for a regulation**

**Article 16 – paragraph 1 – point 2 – point b**

Regulation (EU) 2021/523

Article 4 – paragraph 2 – subparagraph 2

*Text proposed by the Commission*

*Amendment*

An amount of EUR **18 827 310 073** in current prices of the amount referred to in

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).;

the first subparagraph of paragraph 1 of this Article shall be allocated for the objectives referred to in Article 3(2).;

## **Amendment 102**

### **Proposal for a regulation**

#### **Article 16 – paragraph 1 – point 4a**

Regulation (EU) 2021/523

Article 9 – paragraph 1 – point b – subparagraph 2

*Text proposed by the Commission*

*Amendment*

**(4a) In Article 9(1), a new subparagraph is added in point (b):**

**'The additional amount provided by a Member State in the form of cash under the fourth subparagraph of Article 4(1) shall be earmarked for projects contributing to the objectives referred to in Article 2 of Regulation .../... [STEP Regulation].**

## **Amendment 103**

### **Proposal for a regulation**

#### **Article 16 – paragraph 1 – point 4b**

Regulation (EU) 2021/523

Article 10 – paragraph 3 – point h

*Text proposed by the Commission*

*Amendment*

**(4b) In Article 10, a new point (h) is inserted in paragraph 3:**

**'(h) any contribution in the form of cash to the Member State compartment made with the proceeds of RRF loans pursuant to Article 33a of Regulation 2021/241 [RRF Regulation]';**

## **Amendment 104**

### **Proposal for a regulation**

#### **Article 16 – paragraph 1 – point 5a**

*Text proposed by the Commission*

*Amendment*

**(5a) In Article 11(1) a new item (viii) is inserted in point (b):**

**'(viii) monitoring the implementation and the consistency with the national recovery and resilience plans of the STEP projects financed with the proceeds of RRF loans.'**

## **Amendment 105**

### **Proposal for a regulation**

#### **Article 16 – paragraph 1 – point 6**

Regulation (EU) 2021/523

Article 13 – paragraph 4

*Text proposed by the Commission*

*Amendment*

(6) Article 13 is **replaced by the following:**

‘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).’;

(6) Article 13 is **amended as follows:**

**(a) paragraph 4 is replaced by the following:**

‘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).’;

## **Amendment 106**

### **Proposal for a regulation**

#### **Article 16 – paragraph 1 – point 6 - point b (new)**

Regulation (EU) 2021/523

Article 13 – paragraph 5

*Text proposed by the Commission*

*Amendment*

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.

**(6b) 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 the Commission determines that 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 exceptionally be granted to the EIB Group.***'

#### **Amendment 107**

##### **Proposal for a regulation**

##### **Article 16 – paragraph 1 – point 6 – point c (new)**

Regulation (EU) 2021/523

Article 13 – paragraph 5a (new)

*Text proposed by the Commission*

*Amendment*

**(c) the following paragraph 5a is inserted:**

***5a. Where applicable, the Commission shall justify its decision pursuant to paragraph 5 to grant the EIB Group more than 75% of the EU guarantee in the Annual Report to the European Parliament referred to in article 7 of Regulation.../... [STEP Regulation]. The European Commission shall also inform of any actions aiming to increase the absorption capacity of the other implementing partners.***

#### **Amendment 108**

##### **Proposal for a regulation**

##### **Article 16 – paragraph 1 – point 6 – point d (new)**

*Text proposed by the Commission*

*Amendment*

***(d) the second subparagraph of paragraph 7 is replaced by the following:***

***Contracts between the implementing partner and the final recipient or the financial intermediary or other entity referred to in point (a) of Article 16(1) under the EU guarantee referred to in the first subparagraph of Article 4(2) shall be signed at the latest two years after the approval of the relevant financing or investment operation by the implementing partner. In other cases, contracts between the implementing partner and the final recipient or the financial intermediary or other entity referred to in point (a) of Article 16(1) shall be signed by 31 December 2028.***

#### **Amendment 109**

##### **Proposal for a regulation**

##### **Article 16 – paragraph 1 – point 6 – point e (new)**

Regulation (EU) 2021/523

Article 13 – paragraph 6a (new)

*Text proposed by the Commission*

*Amendment*

***(e) the following paragraph 6a is inserted:***

***‘6a. The EIB Group shall aim to preserve a geographical balance, particularly with regard to cross-border projects.’***

#### **Amendment 110**

##### **Proposal for a regulation**

##### **Article 16 – paragraph 1 – point 9**

Regulation (EU) 2021/523

Article 25 – paragraph 2 - point (j)

*Text proposed by the Commission*

‘(j) provide advisory support to equity fund managers active in the areas referred to in point (e) of Article 8(1).’

*Amendment*

‘(j) provide advisory support to equity fund managers **and other relevant stakeholders** active in the areas referred to in point (e) of Article 8(1), **including, regarding the valuation of intangible assets.**’

**Amendment 111**

**Proposal for a regulation**

**Article 16 – paragraph 1 – point 12**

Regulation (EU) 2021/523

Annex I – point (e)

*Text proposed by the Commission*

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

*Amendment*

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

**Amendment 112**

**Proposal for a regulation**

**Article 16 – paragraph 1 – point 13**

Regulation (EU) 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.

**Amendment 113**

**Proposal for a regulation**

**Article 16 – paragraph 1 – point 14**

Regulation (EU) 2021/523

Annex III – point 9 – point 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.'

**Amendment 114**

**Proposal for a regulation**

**Article 16 – paragraph 1 – point 14**

Regulation (EU) 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.'

**Amendment 115**

**Proposal for a regulation**

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

Regulation (EU) 2021/695

Article 7 – paragraph 10

*Text proposed by the Commission*

*Amendment*

***(1a) In Article 7, paragraph 10 shall be replaced by the following:***

***'10. As part of the general Union objective of mainstreaming climate actions into Union sectoral policies and Union funds, actions under this Programme shall contribute at least 35 % of the expenditure to climate objectives where appropriate. Climate mainstreaming shall be adequately integrated in R&I content. For the implementation of this objective, the Commission may rely on the 'Do No Significant Harm' principle in accordance with Article 17 of Regulation (EU) 2020/852 to ensure that climate***

*spending does not adversely affect other environmental objectives and that investments in other environmental objectives are in line with the climate objective. The use of this principle shall be limited to calls for proposals for projects which directly relate to environmental objectives, as defined in Article 9 of Regulation (EU) 2020/852 of the European Parliament and of the Council, and which aim to fund activities close to market deployment. The use of the principle shall be accompanied by detailed guidance from the Commission on how compliance with the principle shall be evaluated in the context of the specific call in which the principle is used.*

#### **Amendment 116**

##### **Proposal for a regulation**

##### **Article 17 – paragraph 1 – point -1b (new)**

Regulation (EU) 2021/695

Article 9 – paragraph 1 – subparagraph 2 – points b and c

*Text proposed by the Commission*

*Amendment*

(b) autonomy;

*(-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 risk;

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

#### **Amendment 117**

##### **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).

**Amendment 118**

**Proposal for a regulation**

**Article 17 – paragraph 1 – point 1 – point b**

Regulation (EU) 2021/695

Article 12 – paragraph 2 – point c

*Text proposed by the Commission*

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

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

**(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’;**

*Amendment*

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

**‘(c) EUR 13 237 000 000 for Pillar III ‘Innovative Europe’ for the period 2021 to 2027, of which:**

**(i) EUR 10 052 000 000 for the EIC;**

**(ii) EUR 459 000 000 for European innovation ecosystems;**

**(iii) EUR 2 726 000 000 for the EIT;’**

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

(c) EUR 13 237 000 000 for Pillar III 'Innovative Europe' for the period 2021 to 2027, of which:

(i) EUR 10 052 000 000 for the EIC;

(ii) EUR 459 000 000 for European innovation ecosystems;

(iii) EUR 2 726 000 000 for the EIT;'

## **Amendment 119**

### **Proposal for a regulation**

#### **Article 17 – paragraph 1 – point 3 – introductory part**

*Text proposed by the Commission*

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

*Amendment*

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

## **Amendment 120**

### **Proposal for a regulation**

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

Regulation (EU) 2021/695

Article 48 – paragraph 1– subparagraph 2 – point c

*Text proposed by the Commission*

(c) equity-only support to non-bankable SMEs, including start-ups, ***which have already received a grant-only support***, may also be provided.

*Amendment*

***(3a) in paragraph 1, second subparagraph, 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;’***

## Amendment 121

### Proposal for a regulation

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

Regulation (EU) 2021/695

Article 48 – paragraph 1 – subparagraph 2 – point d – point c

*Text proposed by the Commission*

(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.

*Amendment*

**(3b) in paragraph 1, second subparagraph, point (d) is added:**

(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.

## Amendment 122

### Proposal for a regulation

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

Regulation (EU) 2021/695

Article 48 – paragraph 1 – subparagraph 3 a (new)

*Text proposed by the Commission*

*Amendment*

**(c) 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].’***

## Amendment 123

### Proposal for a regulation

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

Regulation (EU) 2021/695

Article 48 – paragraph 3

*Text proposed by the Commission*

3. A single award decision shall cover and provide funding for all forms of Union contribution provided under EIC blended finance.

*Amendment*

**(d) 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.*’**

## Amendment 124

### Proposal for a regulation

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

Regulation (EU) 2021/695

Article 48 – paragraph 8

*Text proposed by the Commission*

For a proposal having passed the evaluation, independent external experts 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.

*Amendment*

**(e) in paragraph 8, the first subparagraph is replaced by the following:**

**‘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.'*

## **Amendment 125**

### **Proposal for a regulation**

#### **Article 17 – paragraph 1 – point 3 – point f (new)**

Regulation (EU) 2021/695

Article 48 – paragraph 11 – subparagraph 1

*Text proposed by the Commission*

The contract for the selected action shall establish specific measurable milestones and the corresponding *pre-financing* and payments by instalments of the Accelerator support.

*Amendment*

*(f) in paragraph 11, the first subparagraph is replaced by the following:*

*'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.'*

## **Amendment 126**

### **Proposal for a regulation**

#### **Article 18 – paragraph 1 – point 1 – point a**

Regulation (EU) 2021/695

Article 4 – 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.

## **Amendment 127**

### **Proposal for a regulation**

#### **Article 18 – paragraph 1 – point 1 – point b**

Regulation (EU) 2021/695

Article 4 – paragraph 2 – point 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;

**Amendment 128**

**Proposal for a regulation**

**Article 18 – paragraph 1 – point 1 – point b**

Regulation (EU) 2021/695

Article 4 – paragraph 2 – point 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.

**Amendment 129**

**Proposal for a regulation**

**Article 18 – paragraph 1 – point 1 – point b**

Regulation (EU) 2021/695

Article 4 – paragraph 5

*Text proposed by the Commission*

(c) Paragraph 5 is added:

‘An amount of EUR **1 500 000** in current prices of the amount referred to in paragraph 2 shall be allocated to calls for proposals or awards of funding supporting investments contributing to the STEP objectives referred to in Article 2(1), point (a)(i) of Regulation .../...11 [STEP Regulation].’

*Amendment*

(b) Paragraph 5 is added:

‘An amount of EUR **2 500 000** in current prices of the amount referred to in paragraph 2 shall be allocated to calls for proposals or awards of funding supporting investments contributing to the STEP objectives referred to in Article 2(1), point (a)(i) of Regulation .../...11 [STEP Regulation].’

**Amendment 130**

**Proposal for a regulation**

**Article 19 – paragraph 1 – point 1**

Regulation (EU) 2021/523

Article 1 – paragraph 7

*Text proposed by the Commission*

(1) In Article 7, the following paragraph 3 is added:

‘3. Without prejudice to paragraph 2, Member States may also propose to include in their recovery and resilience plan, as estimated costs, the amount of the cash contribution for the purpose of the Member State compartment pursuant to the relevant provisions of the InvestEU Regulation exclusively for measures supporting investment operations contributing to the STEP objectives referred to in Article 2 of Regulation.../... 71 [STEP Regulation]. Those costs shall not exceed 6 % of the recovery and resilience plan’s total financial allocation, and the relevant measures, as set out in the recovery and resilience plan, shall respect the requirements of this Regulation.’

*Amendment*

(1) In Article 7, the following paragraph 3 is added:

3. Without prejudice to paragraph 2, Member States may also propose to include in their recovery and resilience plan, as estimated costs, the amount of the cash contribution for the purpose of the Member State compartment pursuant to the relevant provisions of the InvestEU Regulation exclusively for measures supporting investment operations contributing to the STEP objectives referred to in Article 2 of Regulation.../... 71 [STEP Regulation]. Those costs shall not exceed 6 % of the recovery and resilience plan’s total financial allocation, and the relevant measures, as set out in the recovery and resilience plan, shall respect the requirements of this Regulation. ***This limitation shall not apply to the cash contributions made pursuant to Article 33a.***’

**Amendment 131**

**Proposal for a regulation**

**Article 19 – paragraph 1 – point 2a**

Regulation (EU) 2021/523

Article 1 – paragraph 33a

*Text proposed by the Commission*

*Amendment*

***(2a) A new chapter is added:***

***‘CHAPTER VIIa***

***EXCEPTIONAL USE OF RRF LOANS  
NOT REQUESTED BY MEMBER  
STATES***

***Article 33a***

***1. The difference between the maximum  
amount available for loan support to  
Member States in accordance to article  
6(1)(b) and the total amount requested by***

*the Member States before 1 September 2023 shall be made available to all Member States for the implementation of investments contributing to the objectives referred to in Article 2 of Regulation .../... [STEP Regulation] through the Member State compartment of InvestEU. The maximum allocation for each Member State shall be made in accordance to the allocation key defined in Article 11 of this Regulation.*

*2. Until 31 December 2023, upon request from a Member State, the Commission shall grant the Member State concerned a loan for the purpose referred to in paragraph 1.*

*3. A Member State may request loan support until 15 December 2023 for the purpose referred to in paragraph 1.*

*4. The Member State concerned shall use the proceeds of the loan to make a cash contribution to its Member State compartment of InvestEU to support objectives of the STEP, according to article 4(1) of Regulation 2021/523 [InvestEU Regulation].*

## **Amendment 132**

**Proposal for a regulation**  
**Article 19a**  
Regulation (EU) 2021/523  
Article 4a

*Text proposed by the Commission*

*Amendment*

### **Article 19a**

#### **Amendments to Regulation (EU) 2021/1755 [BAR]**

Regulation (EU) 2021/1755 is amended as follows:

Article 4a is amended as follows:

#### **Article 4a**

Transfer to the Recovery and Resilience

Facility, *the European Regional Development Fund, the European Social Fund Plus or the Just Transition Fund*

1. By 1 March 2023, Member States may submit to the Commission a reasoned request to transfer to the Recovery and Resilience Facility established by Regulation (EU) 2021/241 of the European and of the Council all or part of the amounts of their provisional allocation set out in the implementing act of the Commission referred to in Article 4(5). If the transfer request is approved, the Commission shall amend the implementing act in order to reflect the adjusted amounts following the transfer.

*2. By 30 September 2024, Member States may submit to the Commission a reasoned request to transfer to the European Regional Development Fund established by Regulation (EU) 2021/1058 of the European and of the Council, or the European Social Fund Plus established by Regulation (EU) 2021/1057 of the European Parliament and of the Council or the Just Transition Fund established by Regulation (EU) 2021/1056 of the European Parliament and of the Council all or part of the amounts of their provisional allocation set out in the implementing act of the Commission referred to in Article 4(5) for the purposes of supporting operations contributing to the STEP objectives referred to in Article 2 of Regulation .../... [STEP Regulation]. If the transfer request is approved, the Commission shall amend the implementing act in order to reflect the adjusted amounts following the transfer.*

3. Where *a* transfer *under paragraphs 1 or 2* affects the instalments already paid or to be paid as pre-financing, the Commission shall amend the implementing act referred to in Article 9(1) accordingly for the Member State concerned. Where appropriate, the Commission shall recover, in accordance with the Financial

Regulation, all or part of the 2021 and 2022 instalments paid to that Member State as pre-financing. In that case the recovered amounts shall be transferred to the Recovery and Resilience Facility for the exclusive benefit of the Member State concerned.

4. Where a Member State chooses to transfer all or part of its provisional allocation to the Recovery and Resilience Facility in accordance with this Article, the amounts to be spent for the purposes of Article 4(4), first subparagraph, shall be proportionately reduced.

5. Where a Member State chooses to transfer all of its provisional allocation to the Recovery and Resilience Facility, ***the European Regional Development Fund, the European Social Fund Plus or the Just Transition Fund in accordance with paragraphs 1 or 2***, Article 10(1) shall not apply.

6. Article 10(2) shall not apply to the amounts transferred to the Recovery and Resilience Facility, ***the European Regional Development Fund, the European Social Fund Plus or the Just Transition Fund in accordance with paragraphs 1 or 2***.

## Amendment 133

### Proposal for a regulation Annex

*Text proposed by the Commission*

*Amendment*

#### ***Annex***

#### ***Definition of biotechnologies***

***(Article 2(1), point (a)(iii))***

***Biotechnologies*** <sup>1a</sup> ***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.*

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<sup>1a</sup> **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>**



# OPINION OF THE COMMITTEE ON ECONOMIC AND MONETARY AFFAIRS

**European Parliament**

2019-2024



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*Committee on Economic and Monetary Affairs*

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**2023/0199(COD)**

3.10.2023

## OPINION

of the Committee on Economic and Monetary Affairs

for the Committee on Budgets and the Committee on Industry, Research and Energy

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))

Rapporteur for opinion (\*): Eva Maria Poptcheva

(\*) Associated committee – Rule 57 of the Rules of Procedure



## AMENDMENTS

The Committee on Economic and Monetary Affairs calls on the Committee on Budgets and the Committee on Industry, Research and Energy, as the committees responsible, to take the following into account:

### Amendment 1

#### Proposal for a regulation

#### Recital 2

##### *Text proposed by the Commission*

(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,<sup>40</sup> the Critical Raw Materials Act<sup>41</sup>, the Net Zero Industry Act<sup>42</sup>, the new Temporary Crisis and Transition Framework for State aid,<sup>43</sup> and REPowerEU.<sup>44</sup> 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.

##### *Amendment*

(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,<sup>40</sup> the Critical Raw Materials Act<sup>41</sup>, the Net Zero Industry Act<sup>42</sup>, the new Temporary Crisis and Transition Framework for State aid,<sup>43</sup> and ***the Recovery and Resilience Facility, as amended by REPowerEU.***<sup>44</sup> 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 ***facilitating access to funding and reducing*** the EU's strategic dependencies. ***STEP is a first step towards these structural solutions, however emphasizes the need for a fully-fledged European Sovereignty Fund with a sizable budget and reminds the crucial role of Own resources in providing the resources needed to build the resilience of European industry in a context of intense global competition for critical technologies.***

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

<sup>41</sup> COM(2023) 160 final

<sup>42</sup> COM(2023) 161 final

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

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

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

<sup>41</sup> COM(2023) 160 final

<sup>42</sup> COM(2023) 161 final

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

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

## **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**

### **Proposal for a regulation**

#### **Recital 6**

#### *Amendment*

(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, ***while maintaining a level playing field in the Single Market.***

*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) 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 ***(including non-bankable 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 4**  
**Proposal for a regulation**  
**Recital 6 a (new)**

*Text proposed by the Commission*

*Amendment*

***(6 a) In view of the scale, required speed and depth of the transition to a net zero economy, it is clear that an increase in public and private investments is required. STEP will help kick start public and private investment in strategic technologies, and must be designed in such a way as to crowd in further public and private investments through all the tools available.***

**Amendment 5**  
**Proposal for a regulation**  
**Recital 6 b (new)**

*Text proposed by the Commission*

*Amendment*

**(6 b) The proposal for a Strategic Technologies for Europe Platform is a good opportunity to effectively use and rise absorption rates of the existing Union's programmes and funds. It could set an example of a unified funding architecture instead of overlapping programmes which are created for every new challenge.**

**Amendment 6**  
**Proposal for a regulation**  
**Recital 7**

*Text proposed by the Commission*

*Amendment*

(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 Fund<sup>46</sup> 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,<sup>47</sup> 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,<sup>48</sup> which should be amended accordingly; and EUR **1.5** billion to the European Defence Fund.<sup>49</sup>

(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 **13** billion. Of this, EUR 5 billion should be used to increase the endowment of the Innovation Fund<sup>46</sup> and EUR **4.2** billion to increase the total amount of the EU guarantee available for the EU compartment under the InvestEU Regulation to EUR **10.5** billion,<sup>47</sup> 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,<sup>48</sup> which should be amended accordingly; and EUR **2.5** billion to the European Defence Fund.<sup>49</sup>

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<sup>46</sup> Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading (OJ L 275, 25.10.2003,

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<sup>46</sup> Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading (OJ L 275, 25.10.2003,

p. 32).

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

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

<sup>49</sup> Regulation (EU) 2021/697 establishing the European Defense Fund (OJ L 170, 12.5.2021, p. 149.)

## 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,<sup>50</sup> the EU4Health programme,<sup>51</sup> 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.

p. 32).

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

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

<sup>49</sup> Regulation (EU) 2021/697 establishing the European Defense Fund (OJ L 170, 12.5.2021, p. 149.)

#### *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, in particular eligibility, exclusion and award criteria, provided by a call for proposals under Horizon Europe, the Digital Europe programme,<sup>50</sup> the EU4Health programme,<sup>51</sup> the European Defence Fund or the Innovation Fund, and regardless of whether the project has received funding under those instruments. ***The Commission should ensure that any future changes to the mentioned regulations regarding the minimum quality requirements provided by each call for proposals aim to preserve their alignment.*** 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. ***Member States are also encouraged to take into account the***

***Sovereignty Seal when granting national support to projects.***

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

<sup>51</sup> 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).

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

<sup>51</sup> 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**  
**Proposal for a regulation**  
**Recital 8 a (new)**

*Text proposed by the Commission*

*Amendment*

***(8 a) In view of the Union de-risking and economic security objectives, the Commission should take into consideration possible risks related to links between the action and third country entities, such as IP theft, technology transfer of critical technologies, and geopolitical interference, when awarding a Sovereignty Seal.***

**Amendment 9**  
**Proposal for a regulation**  
**Recital 10**

*Text proposed by the Commission*

*Amendment*

(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

(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 ***under EU funding programmes. This Sovereignty Portal should bring EU funding opportunities closer to the citizens and businesses. For this purpose, the Portal should become a single and common online platform, where all available EU funding opportunities are displayed in a***



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.

***comprehensive***, accessible and user-friendly manner. ***It seeks to solve an existing market failure, namely an asymmetry of information problem, that hampers the effective and efficient implementation of EU funds.*** This Portal should include information about directly managed programmes, ***including but not limited to*** Horizon Europe, the Digital Europe programme, the EU4Health programme, ***the European Defense Fund*** and the Innovation Fund, and also other programmes ***under shared or indirect management***, such as InvestEU, the RRF, and cohesion policy funds. ***The Sovereignty Portal should also include a self-assessment tool and information on any open calls as a means to facilitate access to EU funding. The Sovereignty Portal shall display a list of programmes that have been awarded funds under any EU funding programme.*** 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. ***The Commission should ensure that already existing Portals (such as, the InvestEU Portal) cease to exist once they have been integrated in the common Sovereignty Portal.***

**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.*

**Amendment 11**  
**Proposal for a regulation**  
**Recital 11**

*Text proposed by the Commission*

(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.

*Amendment*

(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 **further** interventions, **including the establishment of a fully-fledged** European Sovereignty Fund. The evaluation in 2025 will assess the relevance of the actions undertaken and serve as basis for assessing the need for **this Fund and will outline the necessary steps** towards strategic sectors **introducing such a fund**.

**Amendment 12**  
**Proposal for a regulation**  
**Recital 12**

*Text proposed by the Commission*

(12) Directive 2003/87/EC<sup>54</sup> 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 calculated on the basis of Union figures for the period 2015-2017.

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

*Amendment*

(12) Directive 2003/87/EC<sup>54</sup> 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 ***social, geographical and economic*** 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 calculated on the basis of Union figures for the period 2015-2017.

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

**Amendment 13**  
**Proposal for a regulation**  
**Recital 13**

*Text proposed by the Commission*

(13) In order to extend support possibilities for investments aimed at strengthening industrial development and reinforcement of value chains in strategic sectors, the scope of support from the ERDF should be extended by providing for

*Amendment*

(13) In order to extend support possibilities for investments aimed at strengthening industrial development and reinforcement of value chains in strategic sectors, the scope of support from the ERDF should be extended by providing for

new specific objectives under the ERDF, without prejudice to the rules on eligibility of expenditure and climate spending as set out in Regulation (EU) 2021/1060<sup>55</sup> and Regulation (EU) 2021/1058<sup>56</sup>. In strategic sectors, it should also be possible to support productive investments in enterprises other than SMEs, which can make a significant contribution to the development of less developed and transition regions, as well as in more developed regions of Member States with a GDP per capita below the EU average. Managing authorities are encouraged to promote the collaboration between large enterprises and local SMEs, supply chains, innovation and technology ecosystems. ***This*** would allow reinforcing Europe's overall capacity to strengthen its position in those sectors through providing access to all Member States for such investments, thus counteracting the risk of increasing disparities.

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<sup>55</sup> Regulation (EU) 2021/1060 laying down common provisions (OJ L 231, 30.6.2021, p. 159).

<sup>56</sup> Regulation (EU) 2021/1058 on the European Regional Development Fund and on the Cohesion Fund (OJ L 224, 24.6.2021, p. 31).

new specific objectives under the ERDF, without prejudice to the rules on eligibility of expenditure and climate spending as set out in Regulation (EU) 2021/1060<sup>55</sup> and Regulation (EU) 2021/1058<sup>56</sup>. In strategic sectors, it should also be possible to support productive investments in enterprises other than SMEs, which can make a significant contribution to the development of less developed and transition regions, as well as in more developed regions of Member States with a GDP per capita below the EU average. ***However, even if this possibility exists, it is of the utmost importance that SMEs are not excluded from the programme funding, and a significant and proportionate part of it should still be allocated to them.*** Managing authorities are encouraged to promote the collaboration between large enterprises and local SMEs, supply chains, innovation and technology ecosystems, ***and to ensure that SMEs still have effective access to the programme. These changes*** would allow reinforcing Europe's overall capacity to strengthen its position in those sectors through providing access to all Member States for such investments, thus counteracting the risk of increasing disparities.

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<sup>55</sup> Regulation (EU) 2021/1060 laying down common provisions (OJ L 231, 30.6.2021, p. 159).

<sup>56</sup> Regulation (EU) 2021/1058 on the European Regional Development Fund and on the Cohesion Fund (OJ L 224, 24.6.2021, p. 31).

#### **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 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, ***including measures aiming to channel all necessary resources to non-bankable and cross-border critical projects as the former potentially offer a higher reward and would pave the way for future EU leadership in those sectors, and the latter would contribute to the cohesion of the Union.*** That additional contribution to support objectives of the STEP could reach up to **10%** of their recovery and resilience plan's total financial allocation to the Member State compartment of InvestEU. Additional flexibility and clarifications ***with regards to cross-border critical projects*** should also be introduced to better pursue the objectives of the STEP.

**Amendment 15**  
**Proposal for a regulation**  
**Recital 19 a (new)**

*Text proposed by the Commission*

*Amendment*

***(19 a) The Commission and all authorities in charge of programmes falling under STEP should in any case be encouraged to ensure consistency, coherence, complementarity and synergies among sources of funding with the STEP objectives.***

**Amendment 16**  
**Proposal for a regulation**  
**Article 3 – paragraph 1 – point a**

*Text proposed by the Commission*

*Amendment*

(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;

(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** That guarantee shall be implemented in accordance with Regulation (EU) 2021/523;

**Amendment 17**  
**Proposal for a regulation**  
**Article 3 – paragraph 1 – point b**

*Text proposed by the Commission*

*Amendment*

(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;

(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. That amount shall be implemented in accordance with Regulation (EU) 2021/695;

**Amendment 18**  
**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. That amount shall be implemented in accordance with Regulation (EU) 2021/697.

**Amendment 19**  
**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 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.

*Amendment*

1. The Commission shall award a Sovereignty Seal to any action contributing to any of the Platform objectives, **as referred to in paragraph 2a**, provided the action has been assessed and complies 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.

**Amendment 20**  
**Proposal for a regulation**  
**Article 4 – paragraph 1 – subparagraph 1 (new)**

*Text proposed by the Commission*

*Amendment*

***The Sovereignty Seal shall be valid for the period of the implementation of the project, during which there shall be a commitment from the company not to relocate the project outside of the Union . If a project having been awarded the seal has not started after five years it can be reviewed for the purpose of compatibility with STEP strategic priorities. When conducting the above-mentioned review,***



*the Commission shall ensure that all projects do comply with Union's and national labour laws, social rights and workers' rights, as well as applicable collective agreements.*

**Amendment 21**  
**Proposal for a regulation**  
**Article 4 – paragraph 3**

*Text proposed by the Commission*

3. When revising their recovery and resilience plans in accordance with Regulation (EU) 2021/241, Member States shall, without prejudice to the provisions of that Regulation, consider as a priority **action which** have been awarded a Sovereignty Seal in accordance with paragraph 1.

*Amendment*

3. When revising their recovery and resilience plans in accordance with Regulation (EU) 2021/241, Member States shall, without prejudice to the provisions of that Regulation, consider as a priority **the actions that** have been awarded a Sovereignty Seal in accordance with paragraph 1.

**Amendment 22**  
**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 as a priority **the projects** 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 23**  
**Proposal for a regulation**  
**Article 4 – paragraph 5**



*Text proposed by the Commission*

5. Under Regulation (EU) 2021/523, the Sovereignty Seal shall be taken into account in the context of the procedure provided for in Article 19 of the European Investment Bank Statute ***and of the policy check as laid down in Article 23(3) of that Regulation. In addition, the implementing partners shall examine projects having been awarded the Sovereignty Seal in case they fall within their geographic and activity scope as laid down in Article 26(5) of that Regulation.***

**Amendment 24  
Proposal for a regulation  
Article 4 a (new)**

*Text proposed by the Commission*

*Amendment*

5. Under Regulation (EU) 2021/523, the Sovereignty Seal shall be taken into account in the context of the procedure provided for in Article 19 of the European Investment Bank Statute.

*Amendment*

***Article 4 a***

***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 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;*

*(d) 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 and trade unions to advise and assist it on the implementation of the Platform in the relevant sectors.*

## **Amendment 25**

### **Proposal for a regulation**

#### **Article 6 – paragraph 1 – introductory part**

##### *Text proposed by the Commission*

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

##### *Amendment*

1. The Commission shall establish a dedicated publicly available website (the ‘Sovereignty portal’), ***where*** information about ***all EU funding programmes under direct, shared or indirect management is displayed.***

**Amendment 26**  
**Proposal for a regulation**  
**Article 6 – paragraph 1 – point a**

*Text proposed by the Commission*

*Amendment*

**(a) ongoing and upcoming calls for proposals and calls for tender linked to the Platform objectives under the respective programmes and funds;** **deleted**

**Amendment 27**  
**Proposal for a regulation**  
**Article 6 – paragraph 1 – point b**

*Text proposed by the Commission*

*Amendment*

**(b) projects that have been awarded a Sovereignty Seal quality label in accordance with Article 4;** **deleted**

**Amendment 28**  
**Proposal for a regulation**  
**Article 6 – paragraph 1 – point c**

*Text proposed by the Commission*

*Amendment*

**(c) projects that have been identified as strategic projects under the [Net-Zero Industry Act] and the [Critical Raw Materials Act], to the extent that they fall within the scope of Article 2;** **deleted**

**Amendment 29**  
**Proposal for a regulation**  
**Article 6 – paragraph 1 – point d**

*Text proposed by the Commission*

*Amendment*

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

**Amendment 30**  
**Proposal for a regulation**  
**Article 6 – paragraph 2**

*Text proposed by the Commission*

2. The Sovereignty portal shall *also display information about the implementation of the Platform and in relation to Union budget expenditure as referred to in Article 5, as well as the performance indicators defined under the respective* programmes.

*Amendment*

2. The Sovereignty portal shall ***project promoters to find available EU funding programmes that are relevant for their project. With this aim, the Sovereignty Portal shall include:***

**Amendment 31**  
**Proposal for a regulation**  
**Article 6 – paragraph 2 – point a (new)**

*Text proposed by the Commission*

*Amendment*

***(a) information about all EU funding programmes and access to any open calls for proposals and calls for tender, and***

**Amendment 32**  
**Proposal for a regulation**  
**Article 6 – paragraph 2 – point b (new)**

*Text proposed by the Commission*

*Amendment*

***(b) a self-assessment tool for project promoters, which will gather information about the particular project in order to highlight the relevant EU funding programmes under direct, shared or indirect management, for which the project could be eligible.***

**Amendment 33**  
**Proposal for a regulation**  
**Article 6 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***2 a. The Sovereignty Portal shall also***

*display an up to date list of projects that have been awarded funds under any EU funding programme, as well as those projects that have been awarded a Sovereignty Seal according to Article 4 of this Regulation. The Portal shall allow public and private investors to filter the listed projects.*

**Amendment 34**  
**Proposal for a regulation**  
**Article 6 – paragraph 3**

*Text proposed by the Commission*

3. The Sovereignty portal shall be launched **at** the [date of the entry into force of this Regulation] and shall be updated by the Commission regularly.

*Amendment*

3. The Sovereignty portal shall be launched **not later than 6 months after** the [date of the entry into force of this Regulation] and shall be updated by the Commission regularly.

**Amendment 35**  
**Proposal for a regulation**  
**Article 8 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

**2 a. The evaluation report shall assess whether Union funding programmes have sufficient scale to prevent the fragmentation of the Single Market following the loosening of state aid restrictions. The evaluation shall outline the necessary steps to introduce a European Sovereignty Fund, with a view to preventing the fragmentation of the Single Market and reducing strategic dependencies of the Union.**

**Amendment 36**  
**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 amendments of this Regulation.

*Amendment*

3. Where appropriate, the evaluation **report** shall be accompanied by a proposal for amendments of this Regulation **or by a new legislative proposal**.

**Amendment 37**

**Proposal for a regulation**

**Article 16 – paragraph 1 – point 2 – point a**

Regulation (EU) 2021/523

Article 4 – paragraph 1 – first subparagraph

*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.;

**Amendment 38**

**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).;

**Amendment 39**

**Proposal for a regulation**

**Article 16 – paragraph 1 – point 4 – point b**

*Text proposed by the Commission*

*Amendment*

1 a *A new paragraph 8a is added:*  
*‘Implementing partners shall award at least 30% of the overall amount available under the STEP policy window to SMEs.’*

**Amendment 40**  
**Proposal for a regulation**  
**Article 16 – paragraph 1 – point 6**  
Regulation (EU) 2021/523  
Article 13 – paragraph 4

*Text proposed by the Commission*

*Amendment*

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).;

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 *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).;

*Where the implementing partners do not make full use of the remaining 25 % of the EU guarantee under the EU compartment, the Commission may determine that they do not have sufficient absorption capacity and exceptionally allow the EIB Group to be temporarily granted the excess amount.*

**Amendment 41**  
**Proposal for a regulation**  
**Article 16 – paragraph 1 – point 6 a (new)**  
Regulation (EU) 2021/523  
Article 13

*Text proposed by the Commission*

*Amendment*

**(6 a) In Article 13, the following paragraph shall be inserted:**

**"6a The EIB Group shall ensure that:**

**(a) at least, 40% of the EU guarantee granted to the EIB Group will support investment on non-bankable projects;**

**(b) at least, 35% of the EU guarantee granted to the EIB Group will support cross-border projects."**

**Amendment 42**

**Proposal for a regulation**

**Article 16 – paragraph 1 – point 6 b (new)**

Regulation (EU) 2021/523

Article 13

*Text proposed by the Commission*

*Amendment*

**(6 b) In Article 13, the following paragraph shall be inserted:**

**"6a. The EIB Group shall aim for preserving a geographical balance, particularly with regards to cross-border projects."**

**Amendment 43**

**Proposal for a regulation**

**Article 16 – paragraph 1 – point 6 c (new)**

Regulation (EU) 2021/523

Article 13 – paragraph 5

*Text proposed by the Commission*

*Amendment*

**(6 c) Article 13(5) shall be replaced by the following:**

**"The remaining 25 % of the EU guarantee under the EU compartment shall be granted to other implementing partners, unless the Commission adopts the decision referred to in paragraph 4. The implementing partners shall also**



*provide a financial contribution to be determined in the guarantee agreements."*

**Amendment 44**

**Proposal for a regulation**

**Article 16 – paragraph 1 – point 6 d (new)**

Regulation (EU) 2021/523

Article 13

*Text proposed by the Commission*

*Amendment*

**(6 d) In Article 13, the following paragraph shall be inserted:**

**"5a The Commission shall mention and justify any decision to allow the EIB Group to be granted more than 75% of the guarantee in the Annual Report to the European Parliament referred to in article 7 of Regulation.../... [STEP Regulation]. The European Commission shall also inform of any actions aiming to increase the absorption capacity of the other implementing partners."**

**Amendment 45**

**Proposal for a regulation**

**Article 16 – paragraph 1 – point 6 e (new)**

Regulation (EU) 2021/523

Article 19 – paragraph 1

*Text proposed by the Commission*

*Amendment*

**(6 e) In Article 19(1), the second subparagraph shall be replaced by the following:**

**"The implementing partner shall have appropriate exposure at its own risk to financing and investment operations supported by the EU guarantee, unless exceptionally the policy objectives targeted by the financial product to be implemented are of such nature that the implementing partner could not reasonably contribute its own risk-bearing capacity to it. The EU guarantee will**

*cover up to 70% of the risk exposure in projects that fall under the STEP policy window."*

#### **Amendment 46**

##### **Proposal for a regulation**

##### **Article 16 – paragraph 1 – point 9**

Regulation (EU) 2021/523

Article 25 – point j

##### *Text proposed by the Commission*

(j) provide advisory support to equity fund managers active in the areas referred to in point (e) of Article 8(1).

##### *Amendment*

(j) provide advisory support to equity fund managers ***and other relevant stakeholders*** active in the areas referred to in point (e) of Article 8(1), ***including, regarding the valuation of intangible assets.***

#### **Amendment 47**

##### **Proposal for a regulation**

##### **Article 16 – paragraph 1 – point 9 a (new)**

Regulation (EU) 2021/523

Article 26 – paragraph 1

##### *Text proposed by the Commission*

##### *Amendment*

***(9 a) Article 26(1) shall be replaced by the following:***

***‘(j) provide advisory support to equity fund managers active in the areas referred to in point (e) of Article 8(1).’***

***"The Commission shall establish the InvestEU Portal. The InvestEU Portal shall be an easily accessible and user-friendly project database that provides relevant information for each project. The Commission shall ensure the InvestEU Portal ceases to exist once it is integrated in the common Sovereignty Portal, as referred to in Article 6 of the [STEP Regulation]."***

## **Amendment 48**

### **Proposal for a regulation**

#### **Article 16 – paragraph 1 – point 12**

Regulation (EU) 2021/523

Annex I – point e

#### *Text proposed by the Commission*

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

#### *Amendment*

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

## **Amendment 49**

### **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).

## **Amendment 50**

### **Proposal for a regulation**

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

Regulation (EU) 2021/695

Article 12 – paragraph 1

#### *Text proposed by the Commission*

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

#### *Amendment*

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

## **Amendment 51**

### **Proposal for a regulation**

#### **Article 17 – paragraph 1 – point 1 – 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;**

**Amendment 52**

**Proposal for a regulation**

**Article 18 – paragraph 1 – point 1 – point a**

Regulation (EU) 2021/697

Article 4

*Text proposed by the Commission*

*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 **9 453 000 000** in current prices.

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.

## **Amendment 53**

### **Proposal for a regulation**

#### **Article 18 – paragraph 1 – point 1 – point b**

Regulation (EU) 2021/697

Article 4

*Text proposed by the Commission*

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

*Amendment*

(a) EUR **3 485 000 000** for research actions;

## **Amendment 54**

### **Proposal for a regulation**

#### **Article 18 – paragraph 1 – point 1 – point b**

Regulation (EU) 2021/697

Article 4

*Text proposed by the Commission*

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

*Amendment*

(b) EUR **6 968 000 000** for development actions.

## **Amendment 55**

### **Proposal for a regulation**

#### **Article 18 – paragraph 1 – point 1 – point c**

Regulation (EU) 2021/697

Article 4

*Text proposed by the Commission*

An amount of EUR **1 500 000 000** in current prices of the amount referred to in paragraph 2 shall be allocated to calls for proposals or awards of funding supporting investments contributing to the STEP objectives referred to in Article 2(1), point (a)(i) of Regulation .../...<sup>70</sup> [STEP Regulation].

*Amendment*

An amount of EUR **2 500 000 000** in current prices of the amount referred to in paragraph 2 shall be allocated to calls for proposals or awards of funding supporting investments contributing to the STEP objectives referred to in Article 2(1), point (a)(i) of Regulation .../...<sup>70</sup> [STEP Regulation].

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<sup>70</sup> Regulation .../... of the European Parliament and of the Council ... [insert full title and OJ reference].

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<sup>70</sup> Regulation .../... of the European Parliament and of the Council ... [insert full title and OJ reference].

## **Amendment 56**

## Proposal for a regulation

### Article 19 – paragraph 1 – point 1

Regulation (EU) 2021/241

Article 7

#### *Text proposed by the Commission*

3. Without prejudice to paragraph 2, Member States may also propose to include in their recovery and resilience plan, as estimated costs, the amount of the cash contribution for the purpose of the Member State compartment pursuant to the relevant provisions of the InvestEU Regulation exclusively for measures supporting investment operations contributing to the STEP objectives referred to in Article 2 of Regulation .../...<sup>71</sup> [STEP Regulation]. Those costs shall not exceed **6** % of the recovery and resilience plan's total financial **allocation**, and the relevant measures, as set out in the recovery and resilience plan, shall respect the requirements of this Regulation.

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<sup>71</sup> Regulation .../... of the European Parliament and of the Council ... [insert full title and OJ reference].

#### *Amendment*

3. Without prejudice to paragraph 2, Member States may also propose to include in their recovery and resilience plan, as estimated costs, the amount of the cash contribution for the purpose of the Member State compartment pursuant to the relevant provisions of the InvestEU Regulation exclusively for measures supporting investment operations contributing to the STEP objectives referred to in Article 2 of Regulation .../...<sup>71</sup> [STEP Regulation]. Those costs shall not exceed **10** % of the recovery and resilience plan's total financial **amount**, and the relevant measures, as set out in the recovery and resilience plan, shall respect the requirements of this Regulation.

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<sup>71</sup> Regulation .../... of the European Parliament and of the Council ... [insert full title and OJ reference].

## PROCEDURE – COMMITTEE ASKED FOR OPINION

<b>Title</b>	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	
<b>References</b>	COM(2023)0335 – C9-0209/2023 – 2023/0199(COD)	
<b>Committees responsible</b> Date announced in plenary	BUDG 13.7.2023	ITRE 13.7.2023
<b>Opinion by</b> Date announced in plenary	ECON 13.7.2023	
<b>Associated committees - date announced in plenary</b>	13.7.2023	
<b>Rapporteur for the opinion</b> Date appointed	Eva Maria Poptcheva 19.7.2023	
<b>Rule 58 – Joint committee procedure</b> Date announced in plenary	13.7.2023	
<b>Discussed in committee</b>	25.9.2023	
<b>Date adopted</b>	2.10.2023	
<b>Result of final vote</b>	+: 36 -: 5 0: 0	
<b>Members present for the final vote</b>	Anna-Michelle Asimakopoulou, Marek Belka, Isabel Benjumea Benjumea, Stefan Berger, Gilles Boyer, Jonás Fernández, Claude Gruffat, José Gusmão, Eero Heinäluoma, Michiel Hoogeveen, Danuta Maria Hübner, Ondřej Kovařík, Georgios Kyrtos, Aušra Maldeikienė, Csaba Molnár, Caroline Nagtegaal, Denis Nesci, Luděk Niedermayer, Piernicola Pedicini, Lídia Pereira, Kira Marie Peter-Hansen, Eva Maria Poptcheva, Antonio Maria Rinaldi, Dorien Rookmaker, Joachim Schuster, Ralf Seekatz, Irene Tinagli, Inese Vaidere, Marco Zanni	
<b>Substitutes present for the final vote</b>	Damien Carême, Herbert Dorfmann, Gianna Gancia, Johan Nissinen, René Repasi	
<b>Substitutes under Rule 209(7) present for the final vote</b>	Clara Aguilera, Sara Cerdas, Ana Collado Jiménez, Klára Dobrev, Paola Ghidoni, Maria Noichl, Nikos Papandreou	

## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

36	+
ECR	Denis Nesci
ID	Gianna Gancia, Paola Ghidoni, Antonio Maria Rinaldi, Marco Zanni
PPE	Anna-Michelle Asimakopoulou, Isabel Benjumea Benjumea, Ana Collado Jiménez, Herbert Dorfmann, Danuta Maria Hübner, Aušra Maldeikienė, Luděk Niedermayer, Lúdia Pereira, Inese Vaidere
Renew	Gilles Boyer, Ondřej Kovařík, Georgios Kyrtos, Caroline Nagtegaal, Eva Maria Poptcheva
S&D	Clara Aguilera, Marek Belka, Sara Cerdas, Klára Dobrev, Jonás Fernández, Eero Heinäluoma, Csaba Molnár, Maria Noichl, Nikos Papandreou, René Repasi, Joachim Schuster, Irene Tinagli
The Left	José Gusmão
Verts/ALE	Damien Carême, Claude Gruffat, Piernicola Pedicini, Kira Marie Peter-Hansen

5	-
ECR	Michiel Hoogeveen, Johan Nissinen, Dorien Rookmaker
PPE	Stefan Berger, Ralf Seekatz

0	0

### Key to symbols:

+ : in favour

- : against

0 : abstention



European Parliament

2019-2024



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*Committee on Employment and Social Affairs*

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**2023/0199(COD)**

3.10.2023

## OPINION

of the Committee on Employment and Social Affairs

for the Committee on Budgets and the Committee on Industry, Research and Energy

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))

Rapporteur for opinion: Marie-Pierre Vedrenne



## AMENDMENTS

The Committee on Employment and Social Affairs calls on the Committee on Budgets and the Committee on Industry, Research and Energy, as the committees responsible, to take the following into account:

### Amendment 1

#### Proposal for a regulation

#### Recital 2

##### *Text proposed by the Commission*

(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,<sup>40</sup> the Critical Raw Materials Act<sup>41</sup>, the Net Zero Industry Act<sup>42</sup>, the new Temporary Crisis and Transition Framework for State aid,<sup>43</sup> and REPowerEU.<sup>44</sup> 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.

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

<sup>41</sup> COM(2023) 160 final

##### *Amendment*

(2) The EU industry has proven its inbuilt resilience but is being challenged. High inflation, labour shortages ***and skills mismatches***, 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,<sup>40</sup> the Critical Raw Materials Act<sup>41</sup>, the Net Zero Industry Act<sup>42</sup>, the new Temporary Crisis and Transition Framework for State aid,<sup>43</sup> and REPowerEU.<sup>44</sup> 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. ***The Union should promote a global economic system based on open and rules-based trade, respecting and advancing social, environmental and economic sustainability, including the promotion of quality jobs.***

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

<sup>41</sup> COM(2023) 160 final

<sup>42</sup> COM(2023) 161 final

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

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

<sup>42</sup> COM(2023) 161 final

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

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

## 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 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, ***especially on undemocratic regimes***, and addressing existing labour and skills shortages in those sectors through ***training*** and apprenticeships, ***the cooperation with education and training providers*** and the creation of attractive, quality jobs accessible to all. ***Such measures could help overcome structural differences between regions and help address the issue of brain drain, as well as social inequalities, including inequalities between women and men.***

## Amendment 3

### Proposal for a regulation Recital 5

#### *Text proposed by the Commission*

(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.<sup>45</sup>

#### *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 **and skills mismatches** 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 **address the root causes of such shortages and mismatches, close the gap between workers' skills and labour market needs and** boost the **integration** of more people **into** the labour market relevant for strategic sectors, in particular through **the promotion of social dialogue**, the creation of **quality** jobs and **paid or remunerated** apprenticeships for young, and disadvantaged persons in particular, young people not in employment, education or training (**NEETs**) **and young people with disabilities. At the same time, it is necessary to increase the attractiveness of technical careers, especially among women. It is therefore essential to support the integration of women in line with the European Strategy for Gender Equality and to address educational and occupational gender stereotypes.** 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.<sup>45</sup> **In this regard, the European Year of Skills 2023 has an important role to play to further promote a mind-set of reskilling and upskilling, boost the competitiveness of Union undertakings, in particular SMEs, and contribute to the creation of quality jobs with a view to realising the full potential of the green**

*and digital transition in a socially fair, inclusive and just manner.*

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<sup>45</sup> Communication on a European Skills Agenda for sustainable competitiveness, social fairness and resilience, COM(2020) 274 final.

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<sup>45</sup> Communication on a European Skills Agenda for sustainable competitiveness, social fairness and resilience, COM(2020) 274 final.

#### Amendment 4

##### Proposal for a regulation Recital 5 a (new)

*Text proposed by the Commission*

*Amendment*

***(5a) The Commission communication entitled ‘Long-term competitiveness of the EU: looking beyond 2030’ aims to rationalise and simplify reporting requirements by 25 % for each of the green, digital and economic thematic areas, and the Commission plans to present a proposal for achieving this by autumn 2023. The Commission should demonstrate this commitment swiftly, thereby improving the competitiveness of all undertakings in the EU, including small and medium-sized enterprises (SMEs), and enhancing the basic conditions for social justice and prosperity. It should be recalled that SMEs are the backbone of social cohesion.***

#### Amendment 5

##### Proposal for a regulation Recital 6

*Text proposed by the Commission*

*Amendment*

(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

(6) The scale of investments needed for the transition require a full mobilisation ***and effective use*** of funding available under existing EU programmes and funds, inclusive those granting a budgetary

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.

guarantee for financing and investment operations and implementation of financial instruments and blending operations. Such funding should be deployed *without unnecessary administrative burden and contribute to the Commission Better Regulation agenda by reducing the regulatory burden on EU undertakings. It 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. *Any project financing under the STEP should be in line with the principles of the European Pillar of Social Rights.*

## Amendment 6

### 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,<sup>50</sup> the EU4Health programme,<sup>51</sup> the European Defence Fund or the Innovation Fund, and regardless of whether the project has received funding

#### *Amendment*

(8) A Sovereignty Seal should be awarded to projects contributing to the *two* 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,<sup>50</sup> the EU4Health programme,<sup>51</sup> 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.

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

<sup>51</sup> 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).

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.

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

<sup>51</sup> 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 7

### Proposal for a regulation Recital 15

#### *Text proposed by the Commission*

(15) The ESF+<sup>58</sup> being the main EU Fund for investment in people, provides a key contribution to promote the development of skills. In order to facilitate the use of that Fund for the STEP objectives, it should be possible to use the ESF+ to cover investments aimed at achieving a skilled and resilient workforce ready for the future world of work.

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<sup>58</sup> Regulation (EU) 2021/1057 establishing the European Social Fund Plus (ESF+) (OJ L 231 30.6.2021, p.21).

#### *Amendment*

(15) The ESF+<sup>58</sup> being the main EU Fund for investment in people, provides a key contribution to promote the development of skills. In order to facilitate the use of that Fund for the STEP objectives, it should be possible to use the ESF+ to cover investments aimed at achieving a skilled and resilient workforce ready for the future world of work ***while supporting individual growth and choices of workers.***

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<sup>58</sup> Regulation (EU) 2021/1057 establishing the European Social Fund Plus (ESF+) (OJ L 231 30.6.2021, p.21).



## Amendment 8

### Proposal for a regulation Recital 16

#### *Text proposed by the Commission*

(16) In order to help accelerate investments and provide immediate liquidity for investments supporting the STEP objectives under the ERDF, the ESF+<sup>59</sup> and the JTF, an additional amount of exceptional pre-financing should be provided in the form of a one-off payment with respect to the priorities dedicated to investments supporting the STEP objectives. The additional pre-financing should apply to the whole of the JTF allocation given the need to accelerate its implementation and the strong links of the JTF to support Member States towards the STEP objectives. The rules applying for those amounts of exceptional pre-financing should be consistent with the rules applicable to pre-financing set out in Regulation (EU) 2021/1060. Moreover, to further incentivise the uptake of such investments and ensure its faster implementation, the possibility for an increased EU financing rate of 100% for the STEP priorities should be available. When implementing the new STEP objectives, managing authorities ***are encouraged to*** apply ***certain*** social criteria ***or*** promote social positive outcomes, such as creating apprenticeships and jobs for young disadvantaged persons, in particular young persons not in employment, education or training, applying the social award criteria in the Directives on public procurement when a project is implemented by a body subject to public procurement, and paying the applicable wages as agreed through collective bargaining.

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<sup>59</sup> Regulation (EU) 2021/1057 establishing the European Social Fund Plus (ESF+) (OJ

#### *Amendment*

(16) In order to help accelerate investments and provide immediate liquidity for investments supporting the STEP objectives under the ERDF, the ESF+<sup>59</sup> and the JTF, an additional amount of exceptional pre-financing should be provided in the form of a one-off payment with respect to the priorities dedicated to investments supporting the STEP objectives. The additional pre-financing should apply to the whole of the JTF allocation given the need to accelerate its implementation and the strong links of the JTF to support Member States towards the STEP objectives. The rules applying for those amounts of exceptional pre-financing should be consistent with the rules applicable to pre-financing set out in Regulation (EU) 2021/1060. Moreover, to further incentivise the uptake of such investments and ensure its faster implementation, the possibility for an increased EU financing rate of 100% for the STEP priorities should be available. When implementing the new STEP objectives, managing authorities ***should*** apply social ***award*** criteria ***and*** promote social positive outcomes, such as creating ***paid or remunerated*** apprenticeships and ***quality*** jobs for young disadvantaged persons, in particular young persons not in employment, education or training, applying the social award criteria in the Directives on public procurement when a project is implemented by a body subject to public procurement, and paying the applicable wages as agreed through collective bargaining.

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<sup>59</sup> Regulation (EU) 2021/1057 establishing the European Social Fund Plus (ESF+) (OJ

## Amendment 9

### 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, and promote inclusive access to ***training and*** attractive, quality jobs ***for all***, the Platform shall:

## Amendment 10

### 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) ***support*** the development or manufacturing throughout the Union, or ***safeguard and strengthen*** the respective value chains, of critical technologies in the following fields:

## Amendment 11

### Proposal for a regulation

#### Article 2 – paragraph 1 – point a – point ii

##### *Text proposed by the Commission*

(ii) clean technologies

##### *Amendment*

(ii) clean technologies, ***including those listed in [Regulation 2023/0081]***

## Amendment 12

### 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).**

**deleted**

## Amendment 13

### Proposal for a regulation

#### Article 2 – paragraph 1 – subparagraph 1 (new)

*Text proposed by the Commission*

*Amendment*

**While pursuing this objective, the Platform shall contribute, including through training and lifelong learning activities, to addressing shortages of labour and skills critical to all kinds of quality jobs related to technologies listed under points (i), (ii) and (iii) and apply social award criteria in order to contribute to the achievement of social positive outcomes. Addressing the skills shortages in these technologies shall be made, where applicable, in close cooperation with the social partners and with existing education and training initiatives, in particular the European Net Zero Industry Academies, not least by using the learning programmes developed by them.**

## Amendment 14

### Proposal for a regulation

#### Article 2 – paragraph 4 a (new)

*Text proposed by the Commission*

*Amendment*

**4 a. The social award criteria referred to in paragraph 1 shall include**

*compliance with Union and national labour and social law as well as with applicable collective agreements. They shall also include well-defined objectives in terms of skilling, upskilling and reskilling workers, and the promotion of inclusive labour markets through measures aiming to improve gender equality and diversity at work, such as via the inclusion of people with disabilities or young people not in education, training or employment (NEETs), or at developing quality and remunerated or paid apprenticeships. Notwithstanding Directive 2014/24/EU, the social award criteria shall also be part of any public procurement assessment and selection procedures where a project supported by the Platform is implemented.*

## Amendment 15

### 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 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.

#### *Amendment*

1. The Commission shall award a Sovereignty Seal to any action contributing to the Platform objectives **and requirements defined in Article 2**, provided the action has been assessed and complies 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.

## Amendment 16

### Proposal for a regulation Article 4 – paragraph 6

#### *Text proposed by the Commission*

6. Strategic projects identified in accordance with the [Net Zero Industry Act] and the [Critical Raw Materials Act] ***within the scope of Article 2*** that receive a contribution under the Programmes referred to in Article 3 may also receive a contribution from any other Union programme, including Funds under shared management, provided that the contributions do not cover the same costs. The rules of the relevant Union programme shall apply to the corresponding contribution to the strategic project. The cumulative funding shall not exceed the total eligible costs of the strategic project. The support from the different Union programmes may be calculated on a pro-rata basis in accordance with the documents setting out the conditions for support.

#### *Amendment*

6. Strategic projects ***complying with the objectives and requirements referred to Article 2 and*** identified in accordance with the [Net Zero Industry Act] and the [Critical Raw Materials Act] that receive a contribution under the Programmes referred to in Article 3 may also receive a contribution from any other Union programme, including Funds under shared management, provided that the contributions do not cover the same costs. The rules of the relevant Union programme shall apply to the corresponding contribution to the strategic project. The cumulative funding shall not exceed the total eligible costs of the strategic project. The support from the different Union programmes may be calculated on a pro-rata basis in accordance with the documents setting out the conditions for support.

## Amendment 17

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

#### *Text proposed by the Commission*

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

#### *Amendment*

1. The Commission shall establish a dedicated publicly available website (the ‘Sovereignty portal’) ***accessible to all users including users with disabilities***, providing investors 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:

## Amendment 18

### Proposal for a regulation

#### Article 6 – paragraph 1 – point c a (new)

*Text proposed by the Commission*

*Amendment*

***(c a) ongoing and upcoming calls for proposals and calls for tender linked to the European Net Zero Academies, the deployment of their learning programmes and other training initiatives in net-zero technologies;***

## Amendment 19

### Proposal for a regulation

#### Article 12 – paragraph 1 – point 1

*Text proposed by the Commission*

*Amendment*

In addition to the pre-financing for the programme provided for in Article 90(1) and (2) of Regulation (EU) 2021/1060, where the Commission approves an amendment of a programme including one or more priorities dedicated to operations supported by the ESF+ contributing to the STEP objectives referred to in Article 2 of Regulation .../...<sup>66</sup> [STEP Regulation], it shall make an exceptional pre-financing of 30% on the basis of the allocation to those priorities. The exceptional pre-financing shall be paid by 31 December 2024, provided the Commission has adopted the decision approving the programme amendment by 31 October 2024.

In addition to the pre-financing for the programme provided for in Article 90(1) and (2) of Regulation (EU) 2021/1060, where the Commission approves an amendment of a programme including one or more priorities dedicated to operations supported by the ESF+ contributing to the STEP objectives referred to in Article 2 of Regulation .../...<sup>66</sup> [STEP Regulation], it shall make an exceptional pre-financing of 30% on the basis of the allocation to those priorities. ***This exceptional pre-financing shall also benefit operations which contribute to the deployment of the learning programmes of the European Net Zero Academies as well as the training of young people and the skilling, upskilling and reskilling of workers in net-zero technologies.*** The exceptional pre-financing shall be paid by 31 December 2024, provided the Commission has adopted the decision approving the programme amendment by 31 October 2024.

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<sup>66</sup> Regulation .../... of the European

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<sup>66</sup> Regulation .../... of the European

Parliament and of the Council ... [insert full title and OJ reference].

Parliament and of the Council ... [insert full title and OJ reference].

*(This amendment applies throughout the text. Adopting it will necessitate corresponding changes throughout.)*

## PROCEDURE – COMMITTEE ASKED FOR OPINION

<b>Title</b>	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
<b>References</b>	COM(2023)0335 – C9-0209/2023 – 2023/0199(COD)
<b>Committees responsible</b> Date announced in plenary	BUDG                      ITRE 13.7.2023                      13.7.2023
<b>Opinion by</b> Date announced in plenary	EMPL 13.7.2023
<b>Associated committees - date announced in plenary</b>	13.7.2023
<b>Rapporteur for the opinion</b> Date appointed	Marie-Pierre Vedrenne 28.8.2023
<b>Rule 58 – Joint committee procedure</b> Date announced in plenary	13.7.2023
<b>Date adopted</b>	2.10.2023
<b>Result of final vote</b>	+ :                      35 - :                      5 0 :                      4
<b>Members present for the final vote</b>	João Albuquerque, Atidzhe Alieva-Veli, Dominique Bilde, Vilija Blinkevičiūtė, Milan Brglez, David Casa, Ilan De Basso, Margarita de la Pisa Carrión, Klára Dobrev, Jarosław Duda, Loucas Foulas, Cindy Franssen, Helmut Geuking, Alicia Homs Ginel, Agnes Jongerius, Irena Joveva, Radan Kanev, Ádám Kósa, Stelios Kypouropoulos, Katrin Langensiepen, Elena Lizzi, Jörg Meuthen, Max Orville, Sandra Pereira, Kira Marie Peter-Hansen, Dragoş Pîslaru, Dennis Radtke, Elżbieta Rafalska, Daniela Rondinelli, Pirkko Ruohonen-Lerner, Mounir Satouri, Monica Semedo, Beata Szydło, Romana Tomc, Marianne Vind, Maria Walsh
<b>Substitutes present for the final vote</b>	Abir Al-Sahlani, Rosa D'Amato, Carina Ohlsson, Marie-Pierre Vedrenne
<b>Substitutes under Rule 209(7) present for the final vote</b>	Predrag Fred Matić, Matjaž Nemec, João Pimenta Lopes, Michaela Šojdřová



## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

35	+
NI	Ádám Kósa, Jörg Meuthen
PPE	David Casa, Jarosław Duda, Loucas Fourlas, Cindy Franssen, Helmut Geuking, Radan Kanev, Stelios Kypourouopoulos, Dennis Radtke, Michaela Šojdrová, Romana Tomc, Maria Walsh
Renew	Atidzhe Alieva-Veli, Irena Joveva, Max Orville, Dragoş Pîslaru, Monica Semedo, Marie-Pierre Vedrenne
S&D	João Albuquerque, Vilija Blinkevičiūtė, Milan Brglez, Ilan De Basso, Klára Dobrev, Alicia Homs Ginel, Agnes Jongerius, Predrag Fred Matić, Matjaž Nemec, Carina Ohlsson, Daniela Rondinelli, Marianne Vind
Verts/ALE	Rosa D'Amato, Katrin Langensiepen, Kira Marie Peter-Hansen, Mounir Satouri

5	-
ECR	Margarita de la Pisa Carrión, Pirkko Ruohonen-Lerner
ID	Dominique Bilde
The Left	Sandra Pereira, João Pimenta Lopes

4	0
ECR	Elżbieta Rafalska, Beata Szydło
ID	Elena Lizzi
Renew	Abir Al-Sahlani

Key to symbols:

+ : in favour

- : against

0 : abstention

# OPINION OF THE COMMITTEE ON THE ENVIRONMENT, PUBLIC HEALTH AND FOOD SAFETY

**European Parliament**

2019-2024



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*Committee on the Environment, Public Health and Food Safety*

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**2023/0199(COD)**

3.10.2023

## OPINION

of the Committee on the Environment, Public Health and Food Safety

for the Committee on Budgets Committee on Industry, Research and Energy

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))

Rapporteur for opinion: Tiemo Wölken



## AMENDMENTS

The Committee on the Environment, Public Health and Food Safety calls Committee on Budgets and the Committee on Industry, Research and Energy, as the committee responsible, to take the following into account:

### Amendment 1

#### Proposal for a regulation

##### Recital 12

###### *Text proposed by the Commission*

(12) Directive 2003/87/EC<sup>54</sup> 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 calculated on the basis of Union figures for the period 2015-2017.

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<sup>54</sup> Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading (OJ L 275, 25.10.2003,

###### *Amendment*

(12) Directive 2003/87/EC<sup>54</sup> should be amended to allow for additional financing with a financial envelope for the period 2024-2027 of EUR 5 billion ***stemming from the multiannual financial framework***. 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. ***Calls for proposals should be designed and aligned to deliver on the Union objectives set out for domestic manufacturing capacity in key industrial value chains***. In line with the objectives of ensuring cohesion and promoting the Single Market, and in order to support the green ***and just*** transition and the development of clean technologies throughout the Union, ***75%*** 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 calculated on the basis of Union figures for the period 2015-2017.

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<sup>54</sup> Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading (OJ L 275, 25.10.2003,

p. 32).

p. 32).

## Amendment 2

### 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 as a priority project for critical clean technologies which have received the Sovereignty Seal in accordance with paragraph 1 ***and that particularly emphasize a just and inclusive transition.*** 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 3

### Proposal for a regulation

#### Article 9 – paragraph 1 – point 1

Directive 2003/87/CE

Article 10a – paragraph 8 – sub paragraph 6

##### *Text proposed by the Commission*

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 .../...<sup>63</sup> [STEP Regulation]. This financial envelope shall be made available to support investments only in Member States

##### *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, ***as provided in Regulation (EU, Euratom) 2020/2093***, for supporting investments contributing to the STEP objective referred to in Article 2, point (a)(ii) of Regulation .../...<sup>63</sup> [STEP Regulation]. ***75% of*** this financial envelope

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

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.

***In addition, in the calls for proposals dedicated for this financial envelope, special attention shall be given to the projects' ability to promote a just and inclusive transition in the Member States, while implementing the objectives and criteria of the Innovation Fund as laid down in this paragraph (i.e. Article 10a(8) of ETS-Directive) and aiming for a geographical balance of financial support.***

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

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

## PROCEDURE – COMMITTEE ASKED FOR OPINION

<b>Title</b>	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	
<b>References</b>	COM(2023)0335 – C9-0209/2023 – 2023/0199(COD)	
<b>Committees responsible</b> Date announced in plenary	BUDG 13.7.2023	ITRE 13.7.2023
<b>Opinion by</b> Date announced in plenary	ENVI 13.7.2023	
<b>Associated committees - date announced in plenary</b>	13.7.2023	
<b>Rapporteur for the opinion</b> Date appointed	Timo Wölken 17.7.2023	
<b>Rule 58 – Joint committee procedure</b> Date announced in plenary	13.7.2023	
<b>Date adopted</b>	2.10.2023	
<b>Result of final vote</b>	+: 46 -: 8 0: 8	
<b>Members present for the final vote</b>	Catherine Amalric, Mathilde Androuët, Maria Arena, Margrete Aukén, Marek Paweł Balt, Aurélia Beigneux, Monika Beňová, Hildegard Bentele, Sergio Berlato, Alexander Bernhuber, Malin Björk, Michael Bloss, Pascal Canfin, Sara Cerdas, Mohammed Chahim, Tudor Ciuhodaru, Nathalie Colin-Oesterlé, Maria Angela Danzi, Bas Eickhout, Cyrus Engerer, Pietro Fiocchi, Hélène Fritzon, Malte Gallée, Gianna Gancia, Catherine Griset, Anja Hazekamp, Martin Hojsík, Pär Holmgren, Jan Huitema, Karin Karlsbro, Petros Kokkalis, Marian-Jean Marinescu, Liudas Mažylis, Tilly Metz, Silvia Modig, Alessandra Moretti, Ljudmila Novak, Grace O'Sullivan, Nikos Papandreou, Jutta Paulus, Stanislav Polčák, Jessica Polfjård, Frédérique Ries, Sándor Rónai, Maria Veronica Rossi, Silvia Sardone, Christine Schneider, Günther Sidl, Ivan Vilibor Sinčić, Nils Torvalds, Edina Tóth, Petar Vitanov, Alexandr Vondra, Pernille Weiss, Emma Wiesner, Michal Wiezik, Timo Wölken	
<b>Substitutes present for the final vote</b>	Radan Kanev, Ondřej Knotek	
<b>Substitutes under Rule 209(7) present for the final vote</b>	Laura Ballarín Cereza, Javier Moreno Sánchez, Eugen Tomac	

## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

46	+
ID	Gianna Gancia, Maria Veronica Rossi, Silvia Sardone
NI	Maria Angela Danzi
PPE	Radan Kanev, Marian-Jean Marinescu, Liudas Mažylis, Ljudmila Novak, Eugen Tomac
Renew	Catherine Amalric, Pascal Canfin, Martin Hojsík, Jan Huitema, Karin Karlsbro, Ondřej Knotek, Frédérique Ries, Nils Torvalds, Emma Wiesner, Michal Wiezik
S&D	Maria Arena, Laura Ballarín Cereza, Marek Paweł Balt, Monika Beňová, Sara Cerdas, Mohammed Chahim, Tudor Ciuhodaru, Cyrus Engerer, Javier Moreno Sánchez, Alessandra Moretti, Nikos Papandreou, Sándor Rónai, Günther Sidl, Petar Vitanov, Tiemo Wölken
The Left	Malin Björk, Anja Hazekamp, Petros Kokkalis, Silvia Modig
Verts/ALE	Margrete Auken, Michael Bloss, Bas Eickhout, Malte Gallée, Pär Holmgren, Tilly Metz, Grace O'Sullivan, Jutta Paulus

8	-
ECR	Sergio Berlato, Pietro Fiocchi
PPE	Hildegard Bentele, Alexander Bernhuber, Stanislav Polčák, Jessica Polfjård, Christine Schneider, Pernille Weiss

8	0
ECR	Alexandr Vondra
ID	Mathilde Androuët, Aurélia Beigneux, Catherine Griset
NI	Ivan Vilibor Sinčić, Edina Tóth
PPE	Nathalie Colin-Oesterlé
S&D	Helène Fritzon

Key to symbols:

+ : in favour

- : against

0 : abstention



# OPINION OF THE COMMITTEE ON THE REGIONAL DEVELOPMENT

**European Parliament**

2019-2024



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*Committee on Regional Development*

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**2023/0199(COD)**

25.9.2023

## OPINION

of the Committee on Regional Development

for the Committee on Budgets and the Committee on Industry, Research and Energy

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))

Rapporteur for opinion: Rovana Plumb



## **SHORT JUSTIFICATION**

### **Context of the legislative proposal**

The EU with its European internal market has significant assets to attract sustainable investments, and the Union has proven its commitment to build favourable conditions for the development of businesses, in particular those contributing to the green and digital transition. In the light of the challenges that the EU industry has been confronted with over the last years, the European Commission decided to propose a structural tool allowing for a common EU funding for this purpose, and put forward the proposal for a Strategic Technologies for European Platform ('STEP').

The proposed financing relies on the already existing financial instruments, which include, besides instruments such as the Recovery and Resilience Facility (RRF), the Innovation Fund, InvestEU, or Horizon Europe, also the cohesion policy funds. REGI rapporteur for opinion expresses her support for the objectives of the proposal, and for the contribution to them that can be delivered by the cohesion policy. REGI committee confirmed the Rapporteur's position in its vote on the legislative opinion.

### **Choice of the respective instrument**

Commission proposed that the support for the strategic sectors from the cohesion policy be delivered via the creation of a new dedicated priority in the European Regional Development Fund (ERDF), the Cohesion Fund (CF), and the Just Transition Fund (JTF).

As concerns the support from the ERDF and CF, new dedicated specific objectives, supporting investments contributing to STEP objective, are added. Rapporteur agrees with this approach, as it will allow for the use of the cohesion policy framework for the support of the strategic investments. Nevertheless, the position of the committee is to limit the use of resources for the STEP objectives to a maximum of 20% of the initial ERDF allocation. Considering incentives that accompany the use of the cohesion policy funds for the STEP objectives, this is deemed necessary in order not to undermine other cohesion policy objectives.

Rapporteur is also in favour of the use of the JTF resources for the STEP objectives, and proposes, based on a compromise reached in REGI, to extend the scope of the support from the JTF to include not only clean technologies, but also investments to address shortages of skills and labour in the key sectors.

### **Preserving the territorial, economic and social cohesion**

Rapporteur is convinced that new EU financial or economic policy tools should by no means harm the objective of the economic, territorial and social cohesion, in line with the principle 'do no harm to cohesion'. Cohesion remains a key EU objectives, enshrined in the Treaty.

Rapporteur proposes therefore to add the preservation and strengthening of the cohesion and of the solidarity among the Member States and regions to the STEP objectives, to streamline this concern into the new financial tool.

REGI committee also adopted amendments in this sense in the provisions related to the reporting and the evaluation of the platform, in order to make sure that the cohesion objectives as well as the partnership principle are effectively respected, and that the related monitoring is put in place.

### **Opening investments to large companies**

Commission proposed to allow, in the context of the STEP proposal, for the support of the large companies in the less developed and transition regions, as well as in the more developed regions of the Member States with the per capita GDP below the EU average. Rapporteur recognises the need for the inclusion of also the large companies in the support for industry in the field of critical technologies, as they are often particularly well placed to develop these technologies. Nevertheless, the Rapporteur insists on a particular focus that needs to be put on the support for the SMEs and midcap companies, considering their importance for the EU market and particular needs and challenges they face. REGI opinion reflects this position.

### **Incentives for the use of the support to STEP objectives**

Commission proposal foresees, by way of an incentive for the use of the support for the STEP objectives, an exceptional pre-financing in 2024 at the level of 30% for the STEP priority under the ERDF. Commission also proposed that an exceptional 30% pre-financing be paid under the JTF. Additionally, the co-financing rate for the STEP objectives financed under the ERDF-CF Regulation and the JTF Regulation can be increased up to 100%. Rapporteur supports the introduction of these incentives, and her position was endorsed by the REGI committee.

### **Extension of the administrative deadlines for the 2014-2020 period and derogation for the outermost regions**

Rapporteur considers that in view of the exceptional circumstances and of the increased pressure on the managing authorities in the context of the closure of programmes under the 2014-2020 period, it is necessary to extend the applicable deadlines. Accordingly, she proposed to extend the final accounting year of this period by 12 months, until end of June 2025, as well as the co- financing of up to 100% in the final accounting year of this period.

Rapporteur also took into account particular difficulties faced by the outermost regions and endorsed specific derogations, to alleviate structural challenges they are facing.

## **AMENDMENTS**

The Committee on Regional Development calls on the Committee on Budgets and the Committee on Industry, Research and Energy, as the committees responsible, to take the following into account:

## Amendment 1

### Proposal for a regulation Recital 2

*Text proposed by the Commission*

(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,<sup>40</sup> the Critical Raw Materials Act<sup>41</sup>, the Net Zero Industry Act<sup>42</sup>, the new Temporary Crisis and Transition Framework for State aid,<sup>43</sup> and REPowerEU.<sup>44</sup> 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.

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

<sup>41</sup> COM(2023) 160 final

<sup>42</sup> COM(2023) 161 final

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

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

*Amendment*

(2) 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,<sup>40</sup> the Critical Raw Materials Act<sup>41</sup>, the Net Zero Industry Act<sup>42</sup>, the new Temporary Crisis and Transition Framework for State aid,<sup>43</sup> and REPowerEU.<sup>44</sup> While these solutions provide fast and targeted ***and, in some cases, temporary*** support, ***by adapting frameworks for state aid***, 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.

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

<sup>41</sup> COM(2023) 160 final

<sup>42</sup> COM(2023) 161 final

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

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

## Amendment 2

### Proposal for a regulation Recital 2 a (new)

*Text proposed by the Commission*

*Amendment*

***(2a) STEP, in order to reach the goal of structural investments in critical technologies in high technology industry and to avoid overlaps, has to be closely coordinated with the existing EU initiatives to support the industry.***

### **Amendment 3**

#### **Proposal for a regulation**

##### **Recital 3**

*Text proposed by the Commission*

*Amendment*

(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.

(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 ***and at the same time to further preserve economic, social and territorial cohesion and solidarity among Member States and their regions, as well as to reduce disparities in the development of various regions.*** 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 4**

#### **Proposal for a regulation**

##### **Recital 4**

(4) There is a need to support critical technologies in the following fields: deep and digital technologies, clean technologies, and biotechnologies (including the respective critical raw materials value chains), in particular projects, companies and sectors with a critical role for EU's competitiveness **and** resilience and its value chains. By way of example, deep technologies and digital technologies should include microelectronics, high-performance computing, quantum technologies (i.e., computing, communication and sensing technologies), cloud computing, edge computing, and artificial intelligence, cybersecurity technologies, robotics, 5G and advanced connectivity and virtual realities, including actions related to deep and digital technologies for the development of defence and aerospace applications. Clean technologies should include, among others, renewable energy; electricity and heat storage; heat pumps; electricity grid; renewable fuels of non-biological origin; sustainable **alternative fuels**; electrolyzers and fuel cells; carbon capture, utilisation and storage; energy efficiency; hydrogen and its related **infrastructure**; smart energy solutions; technologies vital to sustainability such as water purification and desalination; advanced materials such as nanomaterials, composites and future clean construction materials, and technologies for the sustainable extraction and processing of critical raw materials. Biotechnology should be considered to include technologies such as biomolecules and its applications, pharmaceuticals and medical technologies vital for health security, crop biotechnology, and industrial biotechnology, such as for waste disposal, and biomanufacturing. The Commission **may** issue guidance to further specify the scope of the technologies in these three

(4) ***As dependence on the global market has exposed EU industry to shortages which has led to chain disruptions and even stoppages of industrial processes,*** there is a need to support critical technologies in the following fields: deep and digital technologies, clean technologies, and biotechnologies (including the respective critical raw materials value chains ***in all of them***), in particular projects, companies and sectors with a critical role for EU's competitiveness, resilience and its value chains, ***and the entire CCS value chain, as well as technologies which can be utilized in replacing critical non-renewable materials with renewable materials, sustainable recovery and other processing.*** By way of example, deep technologies and digital technologies should include ***pharmaceuticals, photonics, advanced materials technologies, microelectronics, semiconductors, semiconductor equipment, communication technologies,*** high-performance computing, quantum technologies (i.e., computing, communication and sensing technologies), cloud computing, edge computing, and artificial intelligence, cybersecurity technologies, robotics, 5G, ***6G and others*** and advanced connectivity and virtual realities, including actions related to deep and digital technologies for the development of defence and aerospace applications, ***as well as applications to deliver healthcare, such as digital medical devices.*** Clean technologies should include, among others, renewable energy ***as batteries, solar panels, wind turbines, electrolyzers***; electricity and heat storage; heat pumps; electricity grid; ***geothermal energy***; renewable fuels of non-biological origin; ***all sustainable fuel technologies, including biofuels for road transport,*** electrolyzers and fuel cells; carbon capture,

fields considered to be critical in accordance with this Regulation, in order to promote a common interpretation of the projects, companies and sectors to be supported under the respective programmes in light of the common strategic objective. Moreover, technologies in any of these three fields which are subjects of an Important Project of Common European Interest (IPCEI) approved by the Commission pursuant to Article 107(3), point (b) TFEU should be deemed to be critical, and individual projects within the scope of such an IPCEI should be eligible for funding, in accordance with the respective programme rules, to the extent that the identified funding gap and the eligible costs have not yet been completely covered.

utilisation and storage; energy efficiency; **biolubricants; green** hydrogen and its related **infrastructure**; smart energy solutions; **cutting-edge solutions implemented for leak detection and repair inspections carried out along renewable gases and water transport and distribution networks**; technologies vital to sustainability such as water **efficiency**, purification and desalination **technologies; technologies related to circular economy, such as high quality recycling, resource and material efficiency**; advanced materials such as nanomaterials, composites and future clean construction materials, and technologies for the sustainable extraction and processing of critical raw materials; **technologies supporting construction of roads with negative carbon footprint and development of new green road stabilisation solutions**. Biotechnology should be considered to include technologies such as biomolecules and its applications, pharmaceuticals and medical technologies **and medical devices** vital for health security, crop biotechnology, and industrial biotechnology, such as for waste disposal, and biomanufacturing. The Commission **should, at the latest one month after the entry into force of this regulation**, issue guidance to further specify the scope of the technologies in these three fields considered to be critical in accordance with this Regulation, in order to promote a common interpretation of the projects, companies and sectors to be supported under the respective programmes in light of the common strategic objective. Moreover, technologies in any of these three fields which are subjects of an Important Project of Common European Interest (IPCEI) approved by the Commission pursuant to Article 107(3), point (b) TFEU should be deemed to be critical, and individual projects within the scope of such an IPCEI should be eligible for funding, in accordance with the respective programme



rules, to the extent that the identified funding gap and the eligible costs have not yet been completely covered.

## Amendment 5

### Proposal for a regulation

#### Recital 5

##### *Text proposed by the Commission*

(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.<sup>45</sup>

##### *Amendment*

(5) Strengthening the ***development and*** manufacturing capacity of key technologies in the Union will not be possible without a sizeable skilled workforce, ***including with digital, engineering and other technical knowledge***. 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, ***especially in disadvantaged regions, including rural and remote areas and islands, which suffer from brain drain***. Therefore, it is necessary to boost the activation of more people to the labour market relevant for strategic sectors, in particular ***through quality and inclusive skilling, upskilling and re-skilling measures, and to help develop young persons' practical skills***, through the creation of jobs and apprenticeships for young, disadvantaged persons, in particular, young people not in employment, education or training. ***Fostering information and social dialogue with companies is indispensable. Consequently, it is necessary for the authorities to provide information concerning skills development and EU-funded opportunities, as well as to encourage cooperation, mobility programmes and exchange of knowledge and best practices***. Such support will complement a number of other actions aimed at meeting the skills needs stemming from the transition, outlined in the EU

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<sup>45</sup> Communication on a European Skills Agenda for sustainable competitiveness, social fairness and resilience, COM(2020) 274 final.

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<sup>45</sup> Communication on a European Skills Agenda for sustainable competitiveness, social fairness and resilience, COM(2020) 274 final.

## Amendment 6

### 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,<sup>50</sup> the EU4Health programme,<sup>51</sup> 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.

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

<sup>51</sup> Regulation (EU) 2021/522 establishing a

##### *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, in particular eligibility, exclusion and award criteria, provided by a call for proposals under Horizon Europe, the Digital Europe programme,<sup>50</sup> the EU4Health programme,<sup>51</sup> the European Defence Fund or the Innovation Fund, and regardless of whether the project has received funding under those instruments. ***The verification of the eligibility and evaluation criteria by competent authorities should be done in transparent and fair way.*** 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.

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

<sup>51</sup> 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).

Programme for the Union's action in the field of health, EU4Health Programme (OJ L 107, 26.3.2021, p. 1).

## Amendment 7

### 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,<sup>52</sup> 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,<sup>53</sup> 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

#### *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,<sup>52</sup> 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,<sup>53</sup> Member States should consider including actions awarded the Sovereignty Seal when preparing their recovery and resilience plans, when proposing **or revising** 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.

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<sup>52</sup> 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).

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

apply.

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<sup>52</sup> 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).

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

## Amendment 8

### 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 to companies, ***with a focus on SMEs and mid-caps*** and project promoters seeking funds for STEP investments. To that end, it should display in an accessible and user-friendly manner, ***in all official EU languages***, 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. ***The Portal should provide an interactive component, enabling users to introduce their project specifications and receive personalised advice.***

## Amendment 9

### Proposal for a regulation

#### Recital 11

*Text proposed by the Commission*

(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.

*Amendment*

(11) While the STEP relies on the reprogramming and reinforcement of existing programmes for supporting strategic investments, it is also ***a critical*** element for testing the feasibility and preparation of new interventions as a ***possible*** step towards ***the creation of a dedicated*** European Sovereignty Fund. ***The European Sovereignty Fund should strengthen the Union's strategic autonomy in key sectors while supporting the completion of green and digital transition.*** 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.

## Amendment 10

### Proposal for a regulation

#### Recital 13

*Text proposed by the Commission*

(13) In order to extend support possibilities for investments aimed at strengthening industrial development and reinforcement of value chains in strategic sectors, the scope of support from the ERDF should be extended by providing for new specific objectives under the ERDF, without prejudice to the rules on eligibility of expenditure and climate spending as set out in Regulation (EU) 2021/1060<sup>55</sup> and Regulation (EU) 2021/1058<sup>56</sup>. In strategic sectors, it should also be possible to support productive investments in enterprises ***other than SMEs***, which can

*Amendment*

(13) In order to extend support possibilities for investments aimed at strengthening industrial development and reinforcement of value chains in strategic sectors, the scope of support from the ERDF should be extended by providing for new specific objectives under the ERDF, without prejudice to the rules on eligibility of expenditure and climate spending as set out in Regulation (EU) 2021/1060<sup>55</sup> and Regulation (EU) 2021/1058<sup>56</sup>. In strategic sectors, it should also be possible to support productive investments in enterprises ***with a focus on SMEs and***

make a significant contribution to the development of less developed and transition regions, as well as in more developed regions of Member States with a GDP per capita below the EU average. Managing authorities are encouraged to promote the collaboration between large enterprises and local SMEs, supply chains, innovation and technology ecosystems. This would allow reinforcing Europe's overall capacity to strengthen its position in those sectors through providing access to all Member States for such investments, thus counteracting the risk of increasing disparities.

***midcaps and*** which can make a significant contribution to the development of less developed and transition regions, ***territories defined in just transition plans***, as well as in more developed regions of Member States with a GDP per capita below the EU average. Managing authorities are encouraged to promote the collaboration between large enterprises and local SMEs, supply chains, innovation and technology ecosystems. This would allow reinforcing Europe's overall capacity to strengthen its position in those sectors through providing access to all Member States for such investments, thus counteracting the risk of increasing disparities. ***The resources programmed for these new specific objectives should be limited to a maximum of 20% of the initial allocation of the ERDF.***

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<sup>55</sup> Regulation (EU) 2021/1060 laying down common provisions (OJ L 231, 30.6.2021, p. 159).

<sup>56</sup> Regulation (EU) 2021/1058 on the European Regional Development Fund and on the Cohesion Fund (OJ L 224, 24.6.2021, p. 31).

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<sup>55</sup> Regulation (EU) 2021/1060 laying down common provisions (OJ L 231, 30.6.2021, p. 159).

<sup>56</sup> Regulation (EU) 2021/1058 on the European Regional Development Fund and on the Cohesion Fund (OJ L 224, 24.6.2021, p. 31).

## Amendment 11

### Proposal for a regulation Recital 14

#### *Text proposed by the Commission*

(14) The scope of support of the JTF, laid down in Regulation (EU) 2021/1056,<sup>57</sup> should also be extended to cover investments in clean technologies contributing to the objectives of the STEP by **large** enterprises, provided that they are compatible with the expected contribution to the transition to climate neutrality as set out in the territorial just transition plans. The support provided for such investments

#### *Amendment*

(14) The scope of support of the JTF, laid down in Regulation (EU) 2021/1056,<sup>57</sup> should also be extended to cover ***projects to address shortages of labour and skills critical to quality jobs in support of the STEP objectives and to promote*** investments in clean technologies contributing to the objectives of the STEP by enterprises ***with focus on SMEs and mid-caps***, provided that they are



should not require a revision of the territorial just transition plan *where that revision would be exclusively linked to the gap analysis justifying the investment from the perspective of job creation.*

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<sup>57</sup> Regulation (EU) 2021/1056 establishing the Just Transition Fund (OJ L 231, 30.6.2021, p. 1).

compatible with the expected contribution to the transition to climate neutrality as set out in the territorial just transition plans . The support provided for such investments should not require a revision of the territorial just transition plan.

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<sup>57</sup> Regulation (EU) 2021/1056 establishing the Just Transition Fund (OJ L 231, 30.6.2021, p. 1).

## Amendment 12

### Proposal for a regulation Recital 16

#### *Text proposed by the Commission*

(16) In order to help accelerate investments and provide immediate liquidity for investments supporting the STEP objectives under the ERDF, the ESF+<sup>59</sup> and the JTF, an additional amount of exceptional pre-financing should be provided in the form of a one-off payment with respect to the priorities dedicated to investments supporting the STEP objectives. The additional pre-financing should apply to the whole of the JTF allocation given the need to accelerate its implementation and the strong links of the JTF to support Member States towards the STEP objectives. The rules applying for those amounts of exceptional pre-financing should be consistent with the rules applicable to pre-financing set out in Regulation (EU) 2021/1060. Moreover, to further incentivise the uptake of such investments and ensure its faster implementation, the possibility for an **increased** EU financing rate of 100% for the STEP priorities should be available. When implementing the new STEP objectives, managing authorities are encouraged to apply certain social criteria or promote social positive outcomes, such as creating apprenticeships and jobs for

#### *Amendment*

(16) In order to help accelerate investments and provide immediate liquidity for investments supporting the STEP objectives under the ERDF, the ESF+<sup>59</sup> and the JTF, an additional amount of exceptional pre-financing should be provided in the form of a one-off payment with respect to the priorities dedicated to investments supporting the STEP objectives. The additional pre-financing should apply to the whole of the JTF allocation given the need to accelerate its implementation and the strong links of the JTF to support Member States towards the STEP objectives. The rules applying for those amounts of exceptional pre-financing should be consistent with the rules applicable to pre-financing set out in Regulation (EU) 2021/1060. Moreover, to further incentivise the uptake of such investments and ensure its faster implementation, the possibility for an EU financing rate of **up to** 100% for the STEP priorities should be available. When implementing the new STEP objectives, managing authorities are encouraged to apply certain social criteria or promote social positive outcomes, such as creating **paid** apprenticeships and **quality** jobs for

young disadvantaged persons, in particular young persons not in employment, education or training, applying the social award criteria in the Directives on public procurement when a project is implemented by a body subject to public procurement, and paying the applicable wages as agreed through collective bargaining.

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<sup>59</sup> Regulation (EU) 2021/1057 establishing the European Social Fund Plus (ESF+) (OJ L 231, 30.6.2021, p. 21).

young disadvantaged persons, in particular young persons not in employment, education or training, applying the social award criteria in the Directives on public procurement when a project is implemented by a body subject to public procurement, and paying the applicable wages as agreed through collective bargaining.

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<sup>59</sup> Regulation (EU) 2021/1057 establishing the European Social Fund Plus (ESF+) (OJ L 231, 30.6.2021, p. 21).

## 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 administrative closure of the programmes under the 2014-2020 period should be extended in Regulation (EU) No 1303/2013<sup>61</sup> and Regulation (EU) No 223/2014<sup>62</sup>. More specifically, 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 **of** 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 administrative closure of the programmes under the 2014-2020 period should be extended in Regulation (EU) No 1303/2013<sup>61</sup> and Regulation (EU) No 223/2014<sup>62</sup>. More specifically, the deadline for the submission of that final



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.

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.

***Therefore, Member States may submit the final payment application by June 30, 2025 and the final documents by 15 February 2026, in order to give Member States sufficient time to finalise the process linked to the closure of projects.***

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 **10%** of the financial appropriations from resources under the Multiannual Financial Framework per programme. Amounts due exceeding the ceiling of **10%** 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.

***In this context, a specific derogation provision should be made for the outermost regions.***

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

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

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

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

## **Amendment 14**

### **Proposal for a regulation Article 2 – title**

*Text proposed by the Commission*

*Amendment*

STEP objectives

STEP objectives **and eligibility**

## Amendment 15

### Proposal for a regulation

#### Article 2 – paragraph 1 – introductory part

*Text proposed by the Commission*

*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, **and** promote inclusive access to attractive, quality jobs, the Platform shall pursue the following objectives:

1. ***In order*** to strengthen European ***industrial*** sovereignty and security, ***to*** accelerate the Union's ***socially balanced*** green and digital transitions and enhance its competitiveness, ***cohesive development of its regions***, reduce its strategic dependencies, ***ensure*** a level playing field in the Single Market for investments throughout the Union, ***especially of SMEs and mid-caps, to foster cross-border participation, and to*** promote inclusive access to attractive, quality jobs, ***reduce brain drain***, the Platform shall pursue the following objectives:

## Amendment 16

### Proposal for a regulation

#### Article 2 – paragraph 1 – point a – introductory part

*Text proposed by the Commission*

*Amendment*

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

(a) supporting the development or manufacturing ***of coherent and connected critical technologies or related services*** throughout the ***regions of the*** Union, ***including through establishment of new production facilities*** or safeguarding and strengthening the respective value chains, of critical technologies in the following fields, ***while respecting the “do no significant harm” principle within the meaning of Article 9 of Regulation (EU) 2021/1060:***

## Amendment 17

### Proposal for a regulation

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

*Text proposed by the Commission*

*Amendment*

***(ba) preserving and strengthening economic, social and territorial cohesion and solidarity among Member States and regions.***

## Amendment 18

### Proposal for a regulation

#### Article 2 – paragraph 2 – point a

*Text proposed by the Commission*

*Amendment*

(a) bring an innovative, cutting-edge element with significant economic potential to the Single Market;

(a) bring an innovative, cutting-edge element with significant economic, ***digital, ecological and social*** potential to ***the regions in*** the Single Market;

## Amendment 19

### Proposal for a regulation

#### Article 2 – paragraph 2 – point b

*Text proposed by the Commission*

*Amendment*

(b) contribute to reduce or prevent strategic dependencies of the Union.

(b) contribute to reduce or prevent strategic dependencies of the Union, ***its Member States and regions in the fields referred to in the first paragraph.***

## Amendment 20

### 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. For the manufacturing of critical technologies referred to in the first paragraph, ***the supply chain covers*** final products, key components ***designed and primarily used as direct input for the production of those products***, and critical raw materials primarily used for the production of those products, ***critical supply lines related to manufacturing, as well as related services ranging from raw material to end user.***

**Amendment 21**

**Proposal for a regulation**  
**Article 2 – paragraph 4 a (new)**

*Text proposed by the Commission*

*Amendment*

***4a. Non-associated third-country entities are not eligible for support under this regulation, i.e. legal entity that is established in a non-associated third country or, where it is established in the Union or in an associated country that has its executive management structures in a non-associated third country.***

**Amendment 22**

**Proposal for a regulation**  
**Article 2 – paragraph 4 b (new)**

*Text proposed by the Commission*

*Amendment*

***4b. By way of derogation from the preceding paragraph, a legal entity established in the Union or in an associated country and controlled by a non-associated third country or a non-associated third-country entity shall be eligible to be a recipient or subcontractor involved in an action only if guarantees***

*approved by the Member State or the associated country in which it is established in accordance with its national procedures are made available to the Commission. Those guarantees may refer to the legal entity's executive management structure established in the Union or in an associated country. If considered to be appropriate by the Member State or associated country in which the legal entity is established, those guarantees may also refer to specific governmental rights in the control over the legal entity. The guarantees provide assurances that participation in an action of such a legal entity is not contrary to the objectives set out in Article 2 of this Regulation.*

## Amendment 23

### Proposal for a regulation

#### Article 4 – title

*Text proposed by the Commission*

*Amendment*

Sovereignty Seal *and cumulative funding*

Sovereignty Seal

## Amendment 24

### Proposal for a regulation

#### Article 4 – paragraph 1

*Text proposed by the Commission*

*Amendment*

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 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)

1. The Commission shall award a Sovereignty Seal to any action contributing to any of the Platform objectives, provided the action has been ***presented by a Member State***, assessed and complies with the minimum quality requirements, in particular eligibility, exclusion and award criteria, ***as well as conditionalities, as defined in Regulation (EU) 2021/1060*** and provided by a call for proposals under Regulation (EU) 2021/695, Regulation

## Amendment 25

### 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 action through combined funding with another Union instrument in line with the rules of the applicable basic acts.

## Amendment 26

### 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 is without prejudice to applicable State aid rules and to the Union's international obligations.

## Amendment 27

### Proposal for a regulation

#### Article 5 – paragraph 1

##### *Text proposed by the Commission*

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.

##### *Amendment*

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, ***using existing reporting channels and data, the monitoring of which shall be further***

*rationalised.*

## Amendment 28

### Proposal for a regulation

#### Article 5 – paragraph 3

*Text proposed by the Commission*

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.

*Amendment*

3. The Commission shall report ***annually*** on the expenditure financed by the Platform. It shall, as appropriate, report on the achievements related to each of the specific Platform objectives ***and in particular on objective set out in Art. 2(1) point (ba) to ensure that the implementation of the Platform does not harm cohesion within the EU.***

## Amendment 29

### Proposal for a regulation

#### Article 6 – paragraph 1 – point d a (new)

*Text proposed by the Commission*

*Amendment*

***(da) practical guidelines to facilitate access to programmes and funds;***

## Amendment 30

### 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. ***It shall include qualitative and quantitative information on how the objectives of the Article 174 TFEU are being met, as well as a comprehensive and transparent analysis on the usage of***

*funds.*

## Amendment 31

### Proposal for a regulation

#### Article 7 – paragraph 3 – point b a (new)

*Text proposed by the Commission*

*Amendment*

***(ba) the number of approved projects by Member State, as well as the amount dedicated to them.***

## Amendment 32

### Proposal for a regulation

#### Article 8 – paragraph 2

*Text proposed by the Commission*

*Amendment*

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.

2. The evaluation report shall ***provide an overview of the Member States and their regions where the programmes have been amended, including information on relevant aspects of the partnership principle as set out in Article ... of Regulation (EU) .... and***, in particular, assess to which extent the objectives have been achieved, the efficiency of the use of the resources and the European added value, ***and contribution to the goals of the Article 174 TFEU***. It shall also consider the continued relevance of all ***STEP*** objectives and actions, in view of their potential upscaling. ***It shall be accompanied by a thorough economic, social and environmental assessment of differentiated territorial impacts and effects for cohesion in the implementation of the Platform.***

## Amendment 33

### Proposal for a regulation

#### Article 10 – paragraph 1 – point 3



*Text proposed by the Commission*

The resources under the specific objective referred to in Article 3(1), first subparagraph, points (a)(vi) and (b)(ix) shall be programmed under dedicated priorities corresponding to the respective policy objective.

*Amendment*

The resources under the specific objective referred to in Article 3(1), first subparagraph, points (a)(vi) and (b)(ix) shall be programmed under dedicated priorities corresponding to the respective policy objective ***and shall be limited to a maximum of 20 % of the initial allocation of the ERDF.***

**Amendment 34**

**Proposal for a regulation**

**Article 10 – paragraph 1 – point 3**

Regulation (EU) 2021/1058

Article 3 – paragraph 1a – subparagraph 2

*Text proposed by the Commission*

The Commission shall pay 30 % of the ERDF allocation to ***that*** priority as set out in the decision approving the programme amendment as exceptional one-off pre-financing in addition to the yearly pre-financing for the programme provided for in Article 90(1) and (2) of Regulation (EU) 2021/1060 or in Article 51(2), (3) and (4) of Regulation (EU) 2021/1059. The exceptional pre-financing shall be paid by 31 December 2024, provided the Commission has adopted the decision approving the programme amendment by 31 October 2024.

*Amendment*

The Commission shall pay 30 % of the ERDF allocation to ***the*** priority ***contributing to the STEP objectives referred to in Article 2 of Regulation .../... [STEP Regulation]*** as set out in the decision approving the programme amendment as exceptional one-off pre-financing in addition to the yearly pre-financing for the programme provided for in Article 90(1) and (2) of Regulation (EU) 2021/1060 or in Article 51(2), (3) and (4) of Regulation (EU) 2021/1059. The exceptional pre-financing shall be paid by 31 December 2024, provided the Commission has adopted the decision approving the programme amendment by 31 October 2024.

**Amendment 35**

**Proposal for a regulation**

**Article 10 – paragraph 1 – point 3**

Regulation (EU) 2021/1058  
Article 3 – paragraph 1a – subparagraph 7

*Text proposed by the Commission*

By way of derogation from Article 112 of Regulation (EU) 2021/1060, the **maximum** co-financing rates for dedicated priorities established to support the STEP objectives **shall be increased** to 100 %.

*Amendment*

By way of derogation from Article 112 of Regulation (EU) 2021/1060, the co-financing rates for dedicated priorities established to support the STEP objectives ***referred to in Article 2 of Regulation .../... [STEP Regulation] may be increased up*** to 100 %.

**Amendment 36**

**Proposal for a regulation**

**Article 10 – paragraph 1 – point 4**

Regulation (EU) 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 ***STEP objectives referred to in Article 2 of Regulation .../... [STEP Regulation] under PO 1 or under*** the specific objective under PO 2 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, ***while preserving a focus on the SMEs and mid-caps.***

**Amendment 37**

**Proposal for a regulation**

**Article 10 – paragraph 1 – point 5**

Regulation (EU) 2021/1058

Article 5 – paragraph 3a

*Text proposed by the Commission*

3a. In order to contribute to the specific

*Amendment*

3a. In order to contribute to the specific

objectives under PO 1 set out in Article 3(1), **first subparagraph, point (a)(vi)** and under PO 2 set out in **point (b)(ix) of that subparagraph**, the ERDF shall also support training, life-long learning, reskilling and education activities.

objectives under PO 1 set out in Article 3(1) and under PO 2 set out in **Article 3(2)**, the ERDF shall also support training, life-long learning, reskilling and education activities.

## Amendment 38

### Proposal for a regulation

#### Article 11 – paragraph 1 – point 1

Regulation (EU) 2021/1056

Article 2 – paragraph 1

#### *Text proposed by the Commission*

In accordance with the second subparagraph of Article 5(1) of Regulation (EU) 2021/1060, the JTF shall contribute to the specific objective of enabling regions and people to address the social, employment, economic and environmental impacts of the transition towards the Union's 2030 targets for energy and climate and a climate-neutral economy of the Union by 2050, based on the Paris Agreement. The JTF may also support investments contributing to the STEP objective referred to in Article 2(1), point (a)(ii) of Regulation .../... [STEP Regulation].

#### *Amendment*

In accordance with the second subparagraph of Article 5(1) of Regulation (EU) 2021/1060, the JTF shall contribute to the specific objective of enabling regions and people to address the social, employment, economic and environmental impacts of the transition towards the Union's 2030 targets for energy and climate and a climate-neutral economy of the Union by 2050, based on the Paris Agreement. The JTF may also support investments contributing to the STEP objective referred to in Article 2(1), point (a)(ii) **and point (b)** of Regulation .../... [STEP Regulation].

## Amendment 39

### Proposal for a regulation

#### Article 11 – paragraph 1 – point 2

Regulation (EU) 2021/1056

Article 8 – paragraph 2 – subparagraph 3 a (new)

#### *Text proposed by the Commission*

The JTF **may also support** productive investments in enterprises **other than SMEs** contributing to the STEP objectives referred to in Article 2 of Regulation .../...<sup>65</sup> [STEPRegulation]. That support may be

#### *Amendment*

The JTF **also supports** productive investments in enterprises, **with a focus on the SMEs and mid-caps**, contributing to the STEP objectives referred to in Article 2 of Regulation .../...<sup>65</sup> [STEPRegulation].

provided irrespective of whether the gap analysis was carried out in accordance with Article 11(2)(h) and irrespective of its outcome. Such investments shall only be eligible where they do not lead to relocation as defined in point (27) of Article 2 of Regulation (EU) 2021/1060. The provision of such support shall not require a revision of the territorial just transition plan ***where that revision would be exclusively linked to the gap analysis.***

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<sup>65</sup> Regulation .../... of the European Parliament and of the Council ... [insert full title and OJ reference].

## Amendment 40

### Proposal for a regulation

#### Article 11 – paragraph 1 – point 3

Regulation (EU) 2021/1056

Article 10 – paragraph 4 – subparagraph 6

#### *Text proposed by the Commission*

By way of derogation from Article 112 of Regulation (EU) 2021/1060, the ***maximum*** co-financing rates for dedicated priorities established to support the STEP objectives ***shall*** be increased to 100 %.

## Amendment 41

### Proposal for a regulation

#### Article 13 – paragraph 1 – point 1

Regulation (EU) 2021/1060

Article 2 – point 45

That support may be provided irrespective of whether the gap analysis was carried out in accordance with Article 11(2)(h) and irrespective of its outcome. Such investments shall only be eligible where they do not lead to relocation as defined in point (27) of Article 2 of Regulation (EU) 2021/1060, ***where apprenticeships and jobs, in particular for young and disadvantaged persons, or young persons not in employment, education or training for new skills are key part of the project.*** The provision of such support shall not require a revision of the territorial just transition plan.

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<sup>65</sup> Regulation .../... of the European Parliament and of the Council ... [insert full title and OJ reference].

#### *Amendment*

By way of derogation from Article 112 of Regulation (EU) 2021/1060, the co-financing rates for dedicated priorities established to support the STEP objectives ***referred to in Article 2 of Regulation .../... [STEP Regulation] may*** be increased ***up*** to 100 %.

*Text proposed by the Commission*

(45) ‘Seal of Excellence’ means the quality label attributed by the Commission in respect of a proposal, which shows that the proposal which has been assessed in a call for proposals under a Union instrument ***is deemed to comply with the minimum quality requirements of that Union instrument, but*** could not be funded due to lack of budget available for that call for proposals, and might receive support from other Union or national sources of funding; or the ‘Sovereignty Seal’ referred to in Article 4 of Regulation .../...<sup>67</sup> [STEP Regulation].

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<sup>67</sup> Regulation .../... of the European Parliament and of the Council ... [insert full title and OJ reference].

*Amendment*

(45) ‘Seal of Excellence’ means the quality label attributed by the Commission in respect of a proposal, which shows that the proposal which has been assessed in a call for proposals under a Union instrument could not be funded due to lack of budget available for that call for proposals, and might receive support from other Union or national sources of funding, ***if it complies with respective criteria and conditions***; or the ‘Sovereignty Seal’ referred to in Article 4 of Regulation .../...<sup>67</sup> [STEP Regulation].’

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<sup>67</sup> Regulation .../... of the European Parliament and of the Council ... [insert full title and OJ reference].

**Amendment 42**

**Proposal for a regulation**

**Article 13 – paragraph 1 – point 4**

Regulation (EU) 2021/1060

Annex 1 – table 1

*Text proposed by the Commission*

(4) In the Annex I, Table 1, the following rows are added:

INTERVENTION FIELD		Coefficient for the calculation of support to climate change objectives	Coefficient for the calculation of support to environmental objectives
145a	Support for the development of skills or access to employment in deep and digital	0%	0%

	technologies, biotechnologies.		
145b	Support for the development of skills or access to employment in clean technologies.	100%	40%
188	Productive investments in large enterprises linked primarily to clean technologies.	100%	40%
189	Productive investments in SMEs linked primarily to clean technologies.	100%	40%
190	Productive investments in large enterprises linked primarily to biotechnologies.	0%	0%
191	Productive investments in SMEs linked primarily to biotechnologies.	0%	0%
192	Productive investments in large enterprises linked primarily to deep and digital technologies.	0%	0%
193	Productive investments in SMEs linked primarily to deep and digital technologies.	0%	0%

*Amendment*

(4) In the Annex I, Table 1, the following rows are added:

INTERVENTION FIELD		Coefficient for the calculation of support to climate change objectives	Coefficient for the calculation of support to environmental objectives
145a	Support for the development of skills or access to employment in deep and digital technologies, biotechnologies <i>(contributing to the STEP objectives of Article 2 of Regulation ... /. .. [STEP Regulation]).</i>	0%	0%
145b	Support for the development of skills or access to employment in clean technologies <i>(contributing to the STEP objectives of Article 2 of Regulation ... /. .. [STEP Regulation]).</i>	100%	40%
188	Productive investments in large enterprises linked primarily to clean technologies <i>(contributing to the STEP objectives of Article 2 of Regulation ... /. .. [STEP Regulation]).</i>	100%	40%

189	Productive investments in SMEs linked primarily to clean technologies.	100%	40%
190	Productive investments in large enterprises linked primarily to biotechnologies <i>(contributing to the STEP objectives of Article 2 of Regulation ... /. .. [STEP Regulation]).</i>	0%	0%
191	Productive investments in SMEs linked primarily to biotechnologies <i>(contributing to the STEP objectives of Article 2 of Regulation ... /. .. [STEP Regulation]).</i>	0%	0%
192	Productive investments in large enterprises linked primarily to deep and digital technologies <i>(contributing to the STEP objectives of Article 2 of Regulation ... /. .. [STEP Regulation]).</i>	0%	0%
193	Productive investments in SMEs linked	0%	0%



	primarily to deep and digital technologies <i>(contributing to the STEP objectives of Article 2 of Regulation ... / ... [STEP Regulation]).</i>		
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### Amendment 43

#### Proposal for a regulation

#### Article 13 – paragraph 1 – point 5

Regulation (EU) 2021/1060

Annex 1 – table 6

*Text proposed by the Commission*

(5) In Annex I, Table 6, the following row is added:

11	Contributing to skills and jobs in deep and digital technologies, clean technologies, biotechnologies	0%	0%
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*Amendment*

(5) In Annex I, Table 6, the following row is added:

11	Contributing to skills and jobs in deep and digital technologies, clean technologies, biotechnologies <i>(contributing to the STEP objectives in</i>	0%	0%
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	<i>Article 2 of Regulation ... / ..[STEP Regulation]).</i>		
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#### Amendment 44

##### Proposal for a regulation

##### Article 14 – paragraph 1 – point -1 (new)

Regulation (EU) No 1303/2013

Article 2 – point 29

##### *Present text*

(29) 'accounting year', means, for the purposes of Part Three and Part Four, the period from 1 July to 30 June, except for the first accounting year of the programming period, in respect of which it means the period from the start date for eligibility of expenditure until 30 June 2015. The final accounting year shall be from 1 July **2023** to 30 June **2024**;

##### *Amendment*

***(-1) In Article 2, paragraph (29) is replaced by the following:***

(29) 'accounting year', means, for the purposes of Part Three and Part Four, the period from 1 July to 30 June, except for the first accounting year of the programming period, in respect of which it means the period from the start date for eligibility of expenditure until 30 June 2015. The final accounting year shall be from 1 July **2024** to 30 June **2025**;

*(<https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:02013R1303-20230301>)*

#### Amendment 45

##### Proposal for a regulation

##### Article 14 – paragraph 1 – point -1 a (new)

Regulation (EU) No 1303/2013

Article 24 – paragraph 1a (new)

##### *Text proposed by the Commission*

##### *Amendment*

***(-1a) In Article 24 the following paragraph (1a) is inserted:***

***1a. By way of derogation from Article 60(1) and the first and fourth subparagraphs of Article 120(3), a co-financing rate of up to 100 % may be***

*applied to expenditure declared in the final accounting year for one or more priority axes in a programme supported by the ERDF, the ESF or the Cohesion Fund. By way of derogation from Article 30(1) and (2) and Article 96(10), the application of the co-financing rate of up to 100 % shall not require a Commission decision approving a programme amendment. The Member State shall notify the revised financial tables to the Commission following approval by the monitoring committee. The co-financing rate of up to 100 % shall apply only if the financial tables are notified to the Commission before the submission of the final application for an interim payment for the final accounting year in accordance with Article 135(2).*

#### **Amendment 46**

##### **Proposal for a regulation**

##### **Article 14 – paragraph 1 – point 1**

Regulation (EU) No 1303/2013

Article 135 – paragraph 6 – subparagraph 2

##### *Text proposed by the Commission*

Amounts from resources other than REACT-EU reimbursed by the Commission as interim payments in 2025 shall not exceed **1** % of the total financial appropriations to the programme concerned by Fund, REACT-EU resources excluded. Amounts that would be due to be paid by the Commission in 2025 exceeding this percentage shall not be paid and shall be used exclusively for the clearing of pre-financing at closure.

##### *Amendment*

Amounts from resources other than REACT-EU reimbursed by the Commission as interim payments in 2025 shall not exceed **10** % of the total financial appropriations to the programme concerned by Fund, REACT-EU resources excluded. Amounts that would be due to be paid by the Commission in 2025 exceeding this percentage shall not be paid and shall be used exclusively for the clearing of pre-financing at closure.

#### **Amendment 47**

##### **Proposal for a regulation**

##### **Article 14 – paragraph 1 – point 1 a (new)**

*Text proposed by the Commission*

*Amendment*

**(1a) In Article 135 the following paragraph 6a is added:**

**6a. For the outermost regions as defined in Article 349 TFEU, by way of derogation from paragraph 2 the deadline for the submission of the final application for an interim payment for the final accounting year shall be 30 June 2025. The last application for interim payment submitted by 31 December 2025 shall be deemed to be the final application for an interim payment for the final accounting year. Amounts from resources other than REACT-EU reimbursed by the Commission as interim payments in 2025 shall not exceed 15 % of the total financial appropriations to the programme concerned by Fund, REACT-EU resources excluded. Amounts that would be due to be paid by the Commission in 2025 exceeding this percentage shall not be paid and shall be used exclusively for the clearing of pre-financing at closure.**

## **Amendment 48**

### **Proposal for a regulation**

#### **Article 14 – paragraph 1 – point 2**

Regulation (EU) No 1303/2013

Article 138 – paragraph 4 – subparagraph 1 a (new)

*Text proposed by the Commission*

*Amendment*

By way of derogation from the deadline set out in the first subparagraph, Member States may submit the documents referred to under points (a), (b) and (c) for the final accounting year by 15 February 2026.

By way of derogation from the deadline set out in the first subparagraph, Member States may submit **the final implementation report for the operational programme according to Article 141 and** the documents referred to under points (a), (b) and (c) for the final accounting year by 15 February 2026.

## Amendment 49

### Proposal for a regulation

#### Article 14 – paragraph 1 – point 2 a (new)

Regulation (EU) No 1303/2013

Article 141 – paragraph 1

#### *Present text*

1. In addition to the documents referred to *in* Article 138, for the final accounting year from 1 July **2023** to 30 June **2024**, Member States shall submit a final implementation report for the operational programme or the last annual implementation report for the operational programme supported by the EMFF.

#### *Amendment*

**(2a) In Article 141, the first paragraph is replaced by the following:**

1. In addition to the documents referred to **the** Article 138, for the final accounting year from 1 July **2024** to 30 June **2025**, Member States shall submit a final implementation report for the operational programme or the last annual implementation report for the operational programme supported by the EMFF.

(<https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:02013R1303-20230301#tocId198>)

## Amendment 50

### Proposal for a regulation

#### Article 15 – paragraph 1 – point 3

Regulation (EU) No 223/2014

Article 45 – paragraph 6 – subparagraph 2

#### *Text proposed by the Commission*

Amounts reimbursed by the Commission as interim payments in 2025 shall not exceed **1** % of the total financial appropriations to the programme concerned. Amounts that would be due to be paid by the Commission in 2025 exceeding this percentage shall not be paid and shall be used exclusively for the clearing of pre-financing at closure.’

#### *Amendment*

Amounts reimbursed by the Commission as interim payments in 2025 shall not exceed **15** % of the total financial appropriations to the programme concerned. Amounts that would be due to be paid by the Commission in 2025 exceeding this percentage shall not be paid and shall be used exclusively for the clearing of pre-financing at closure.’

## PROCEDURE – COMMITTEE ASKED FOR OPINION

<b>Title</b>	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	
<b>References</b>	COM(2023)0335 – C9-0209/2023 – 2023/0199(COD)	
<b>Committees responsible</b> Date announced in plenary	BUDG 13.7.2023	ITRE 13.7.2023
<b>Opinion by</b> Date announced in plenary	REGI 13.7.2023	
<b>Associated committees - date announced in plenary</b>	13.7.2023	
<b>Rapporteur for the opinion</b> Date appointed	Rovana Plumb 13.7.2023	
<b>Rule 58 – Joint committee procedure</b> Date announced in plenary	13.7.2023	
<b>Discussed in committee</b>	7.9.2023	
<b>Date adopted</b>	20.9.2023	
<b>Result of final vote</b>	+: 24 -: 5 0: 4	
<b>Members present for the final vote</b>	Matteo Adinolfi, François Alfonsi, Pascal Arimont, Adrian-Dragoş Benea, Isabel Benjumea Benjumea, Erik Bergkvist, Stéphane Bijoux, Franc Bogovič, Vlad-Marius Botoş, Rosa D'Amato, Mircea-Gheorghe Hava, Krzysztof Hetman, Manolis Kefalogiannis, Ondřej Knotek, Elżbieta Kruk, Cristina Maestre Martín De Almagro, Nora Mebarek, Alin Mituţa, Dan-Ştefan Motreanu, Andželika Anna Możdżanowska, Denis Nesci, Niklas Nienass, Younous Omarjee, Alessandro Panza, Marcos Ros Sempere, André Rougé, Susana Solís Pérez, Irène Tolleret	
<b>Substitutes present for the final vote</b>	Daniel Buda, Carlos Coelho, Ciarán Cuffe, Hannes Heide, Rovana Plumb, Stanislav Polčák, Peter Pollák, Bronis Ropė	
<b>Substitutes under Rule 209(7) present for the final vote</b>	Lina Gálvez Muñoz, Elsi Katainen, Maite Pagazaurtundúa	

## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

24	+
ECR	Elzbieta Kruk, Andželika Anna Mozdżanowska, Denis Nesci
PPE	Isabel Benjumea Benjumea, Franc Bogovič, Daniel Buda, Carlos Coelho, Mircea-Gheorghe Hava, Krzysztof Hetman, Dan-Ștefan Motreanu, Peter Pollák
Renew	Vlad-Marius Botoș, Elsi Katainen, Alin Mituța, Susana Solís Pérez, Irène Tolleret
S&D	Adrian-Dragoș Benea, Erik Bergkvist, Hannes Heide, Cristina Maestre Martín De Almagro, Nora Mebarek, Rovana Plumb, Marcos Ros Sempere
The Left	Younous Omarjee

5	-
Verts/ALE	François Alfonsi, Ciarán Cuffe, Rosa D'Amato, Niklas Nienass, Bronis Ropė

4	0
ID	Matteo Adinolfi, Alessandro Panza, André Rougé
Renew	Ondřej Knotek

Key to symbols:

+ : in favour

- : against

0 : abstention

20.8.2023

## LETTER OF THE COMMITTEE ON FOREIGN AFFAIRS

Mr Cristian-Silviu Buşoi  
Chair  
Committee on Industry, Research and Energy  
BRUSSELS

Subject: Opinion on 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 – 2023/0199(COD) –C9-0209/2023))

Dear Chair,

Under the procedure referred to above, the Committee on Foreign Affairs has been asked to submit an opinion to your Committee. During the meeting of 18 July 2023, the Coordinators of the Committee on Foreign Affairs decided to send the opinion to the Subcommittee on Security and Defence. The Subcommittee on Security and Defence decided via a written procedure on 14 July 2023 to send the opinion in the form of a letter.

The Committee on Foreign Affairs adopted the opinion by Nathalie Loiseau, SEDE Chair as rapporteur at its meeting of 20 September 2023<sup>1</sup> and called on the Committees responsible to incorporate the following suggestions into its report.

Yours sincerely,

David McAllister

## SUGGESTIONS

Rapid geopolitical changes and a constantly evolving threat landscape create heightened risks for the Union's security. Before February 2022, Europe was already facing the most complex

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<sup>1</sup> The following were present for the vote: The following were present for the final vote: Alviina Alametsä, Anna Bonfrisco, Reinhard Bütikofer, Alexander Alexandrov Yordanov, Traian Băsescu, Vladimír Bilčík, Włodzimierz Cimoszewicz, Katalin Cseh, Angel Dzhambazki, Gheorghe Falcă, Michael Gahler, Sunčana Glavak, Giorgos Georgiou, Raphaël Glucksmann, Klemen Grošelj, Bernard Guetta, Dietmar Köster, Andrey Kovatchev, Andrius Kubilius, Georgios Kyrtos, David Lega, Miriam Lexmann, Nathalie Loiseau, Leopoldo López Gil, Antonio López-Istúriz White, David McAllister, Vangelis Meimarakis, Dace Melbārde, Thierry Mariani, Marisa Matias, Sven Mikser, Alessandra Moretti, Javier Nart, Matjaž Nemec, Jan-Christoph Oetjen, Carina Ohlsson, Juozas Olekas, Demetris Papadakis, Kostas Papadakis, Nikos Papandreou, Tonino Picula, Manu Pineda, Hermann Tertsch, Thijs Reuten, Isabel Santos, Mounir Satouri, Jordi Solé, Andreas Schieder, Nacho Sánchez Amor, Viola von Cramon-Taubadel, Hilde Vautmans, Anders Vistisen, Thomas Waitz, Isabel Wiseler-Lima, Javier Zarzalejos, Juan Ignacio Zoido Álvarez, Željana Zovko, Mick Wallace



combination of both military and non-military threats since the end of the Cold War. With Russia's war of aggression against Ukraine security and defence is now clearly one of the most challenging and urgent priorities for the Union and our citizens.

While the EU has already put forward several initiatives to support Member States and industry to identify priorities, Russia's war against Ukraine has shown a clear need for a more structured approach to developing defence capabilities and meet the investment demands of Europe's industries. This need is especially evident for the European defence industry, which has also benefitted from recent initiatives in support of Member States identifying defence capability priorities (EDIRPA) and industries capacity to step-up ammunition production (ASAP). While these initiatives are welcome, they are admittedly of small magnitude in terms of budget.

The time has come to take these efforts to the next level to increase Europe's open strategic autonomy, including by mobilising the necessary funding for the development of future capabilities that are needed for the longer-term security of Europe. In light of the security challenges brought by Russia's war of aggression against Ukraine, we should adapt our defence industry to the realities of the return of high-intensity conflict on our continent. There is a need to look at longer-term solutions for European industry, to make sure it is strengthened in order to adapt to future risks, and prevent European companies from relocating overseas in search of needed structured investments.

This backdrop demonstrates the urgency to strengthen EU sovereignty now. It is regrettable that there has been no proposal to date for a dedicated EU Sovereignty Fund to address critical dependencies, after repeated calls by the Parliament. AFET/SEDE believe the STEP regulation is a welcome initiative, but believes there is a clear and growing need for more and structured funding to reinforce European defence.

The European Defence Fund (EDF), though regrettably still underfinanced, is widely considered a success and has demonstrated the added value of EU-level action in European defence. Considering the allocation of EDF funds has also been used to fund new initiatives like ASAP and IRIS<sup>2</sup>, a top-up of EUR 1.5 billion to the fund is therefore a minimum welcome proposal, but it is still far from the EUR 13 billion originally requested by the Parliament. A war in Europe should be a wake-up call that we need a structured and sustainable response now.

For that reason, AFET/SEDE focusses the main amendments on reinstating the European Parliament's original budget as well as on some additional amendments to take into account the specificity of the defence sector, in particular when it comes to security of information. AFET/SEDE therefore propose to amend the top-up of the EDF, and call for an additional EUR 2.5 billion instead of the EUR 1.5 billion as suggested in the STEP proposal.

1. The above mentioned elements should be properly reflected in Article 3 by amending 1(d) as follows:

“(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.”

2. In addition, Article 18 should be amended as follows

(a) Paragraph 1 is replaced by the following:

“1. In accordance with Article 12(1) of Regulation 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.”

(b) Paragraph 2, points (a) and (b) are replaced by the following:

“(a) EUR **3 484 000 000** in current prices for research actions;

(b) EUR **6 969 000 000** in current prices for development actions.”

3. Article 6 should include the following new paragraph:

*“(new paragraph) 5. For projects related to security and defence, displaying of information should only be done on a case-by-case basis, if deemed necessary by the project or the Commission, taking into consideration the confidentiality of security of information in defence matters.”*

4. In recital 4, the proposal should clarify the sensitivity and dangers of investing in biotech through defence funds, considering that technology bears a considerable bio-weapon proliferation risk.

*“(4) ... Biotechnology should be considered ... such as for waste disposal, and biomanufacturing. Special attention should be paid to investments in biotech through defence funds, considering the sensitivity and dangers of biotech in bio-weapon proliferation and the need to uphold international law. The Commission may issue guidance...”*

5. At the end of recital 8, the proposal should clarify that the application of the Sovereignty Seal should take into account the peculiarities of security and defence when developing technologies, such as security of information.

*“(8) ... notably by facilitating cumulative or combined funding from several Union instruments. The application of the Sovereignty Seal should take into account the specificity of security and defence when developing technologies, such as security of information.”*

6. In recital 10, the proposal should include the following new sentence:

*“(10) ... Moreover, the Sovereignty Portal should help increase the visibility for STEP investments towards investors, taking into account security of information when related to security and defence, by listing projects the projects that have been awarded a Sovereignty Seal.”*

6.9.2023

## LETTER OF THE COMMITTEE ON AGRICULTURE AND RURAL DEVELOPMENT

Mr Johan Van Overtveldt,  
Chair  
Committee on Budgets

Mr Cristian-Silviu Buşoi  
Chair  
Committee on the on Industry, Research and Energy

IPOL-COM-AGRI D(2023) 30955

Subject: Opinion on 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 – 2023/0199(COD))

Dear Chairs,

At their meeting of 28 June 2023, AGRI Coordinators decided to issue an opinion in the form of a letter to your respective Committees, the Committee on Budgets and the Committee on Industry, Research and Energy, as lead committees on the following Commission proposal:

European Commission 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 ([2023/0199 \(COD\)](#)).

The AGRI Committee acknowledges the European Commission proposal on STEP of 20 June 2023, which aims to support European leadership on critical and emerging strategic technologies.

The AGRI Committee welcomes the proposal's objective to enhance European competitiveness and resilience in strategic sectors while reducing dependencies on the EU economy.

Furthermore, the AGRI Committee recognises the urgent need to provide immediate and

targeted support for the development and manufacturing of critical technologies, as well as safeguarding and strengthening value chains. This is particularly important for ensuring a competitive and productive agriculture sector and for fostering dynamic rural development, among other matters.

With regard to the availability of resources for funding programmes and actions, the AGRI Committee asks that the responsible Committees call on the European Commission to identify additional Union funding, rather than reallocating it from other existing programmes to contribute to STEP objectives.

Therefore, the Strategic Technologies for Europe Platform should identify resources within the existing Union budget to finance programmes, initiatives, and funds in relevant sectors with new money.

As AGRI committee Chair, I would like to ask the BUDG and ITRE committees, the responsible committees, to take due account of the suggestions mentioned in this opinion in the form of a letter, pursuant to Rule 56, in their report on the STEP proposal.

Yours sincerely,

Norbert Lins



## PROCEDURE – COMMITTEE RESPONSIBLE

<b>Title</b>	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			
<b>References</b>	COM(2023)0335 – C9-0209/2023 – 2023/0199(COD)			
<b>Date submitted to Parliament</b>	21.6.2023			
<b>Committees responsible</b> Date announced in plenary	BUDG 13.7.2023	ITRE 13.7.2023		
<b>Committees asked for opinions</b> Date announced in plenary	AFET 13.7.2023	ECON 13.7.2023	EMPL 13.7.2023	ENVI 13.7.2023
	REGI 13.7.2023	AGRI 13.7.2023		
<b>Associated committees</b> Date announced in plenary	ENVI 13.7.2023	EMPL 13.7.2023	ECON 13.7.2023	REGI 13.7.2023
<b>Rapporteurs</b> Date appointed	José Manuel Fernandes 17.7.2023	Christian Ehler 17.7.2023		
<b>Rule 58 – Joint committee procedure</b> Date announced in plenary	13.7.2023			
<b>Discussed in committee</b>	7.9.2023			
<b>Date adopted</b>	9.10.2023			
<b>Result of final vote</b>	+: –: 0:	43 6 15		
<b>Members present for the final vote</b>	Rasmus Andresen, Pietro Bartolo, Nicola Beer, Hildegard Bentele, Tom Berendsen, Maria da Graça Carvalho, David Cormand, Josianne Cutajar, Nicola Danti, Pascal Durand, Christian Ehler, José Manuel Fernandes, Eider Gardiazabal Rubial, Jens Geier, Vlad Gheorghe, Nicolás González Casares, Niclas Herbst, Hervé Juvin, Andrius Kubilius, Janusz Lewandowski, Margarida Marques, Eva Maydell, Iskra Mihaylova, Siegfried Mureşan, Dan Nica, Niklas Nienass, Lefteris Nikolaou-Alavanos, Johan Nissinen, Mikuláš Peksa, Clara Ponsatí Obiols, Manuela Ripa, Robert Roos, Bogdan Rzońca, Nils Ušakovs, Pernille Weiss, Carlos Zorrinho			
<b>Substitutes present for the final vote</b>	Marek Paweł Balt, Ana Collado Jiménez, Jakop G. Dalunde, Matthias Ecke, Jonás Fernández, Henrike Hahn, Alicia Homs Ginel, Othmar Karas, Marian-Jean Marinescu, Younous Omarjee, Mauri Pekkarinen,			

	Eva Maria Poptcheva, Marcos Ros Sempere, Emma Wiesner, Angelika Winzig
<b>Substitutes under Rule 209(7) present for the final vote</b>	João Albuquerque, Petras Auštrevičius, Gilles Boyer, Isabel García Muñoz, Ska Keller, Katrin Langensiepen, Miriam Lexmann, Tilly Metz, Hannah Neumann, Rovana Plumb, Domènec Ruiz Devesa, Helmut Scholz, Salima Yenbou
<b>Date tabled</b>	11.10.2023

## FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

43	+
PPE	Hildegard Bentele, Tom Berendsen, Maria da Graça Carvalho, Ana Collado Jiménez, Christian Ehler, José Manuel Fernandes, Niclas Herbst, Othmar Karas, Andrius Kubilius, Janusz Lewandowski, Miriam Lexmann, Eva Maydell, Siegfried Mureşan, Pernille Weiss, Angelika Winzig
Renew	Petras Auštrevičius, Nicola Beer, Gilles Boyer, Nicola Danti, Vlad Gheorghe, Iskra Mihaylova, Mauri Pekkarinen, Eva Maria Poptcheva, Salima Yenbou
S&D	João Albuquerque, Marek Paweł Balt, Pietro Bartolo, Josianne Cutajar, Pascal Durand, Matthias Ecke, Jonás Fernández, Isabel García Muñoz, Eider Gardiazabal Rubial, Jens Geier, Nicolás González Casares, Alicia Homs Ginel, Margarida Marques, Dan Nica, Rovana Plumb, Marcos Ros Sempere, Domènec Ruiz Devesa, Nils Ušakovs, Carlos Zorrinho

6	-
ECR	Johan Nissinen, Robert Roos
NI	Lefteris Nikolaou-Alavanos
PPE	Marian-Jean Marinescu
The Left	Younous Omarjee, Helmut Scholz

15	0
ECR	Bogdan Rzońca
NI	Hervé Juvin, Clara Ponsatí Obiols
Renew	Emma Wiesner
Verts/ALE	Rasmus Andresen, David Cormand, Jakop G. Dalunde, Henrike Hahn, Ska Keller, Katrin Langensiepen, Tilly Metz, Hannah Neumann, Niklas Nienass, Mikuláš Peksa, Manuela Ripa

Key to symbols:

+ : in favour

- : against

0 : abstention