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Proposal for a

COUNCIL DECISION

**concerning the renewal of the Agreement for scientific and technological cooperation
between the European Community and the Federative Republic of Brazil**

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

The Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil¹ (hereinafter referred to as 'the Agreement') entered into force on 7 August 2007. The Agreement provides in its Article XII (2) that it "shall initially be valid for a period of five years and may be renewed by agreement between the Parties after evaluation during the penultimate year of each subsequent renewal period". The Agreement was last renewed in 2017 and remains in force until 7 August 2022, unless the Parties renew it for the next five year period.

Since the Agreement was last renewed (Decision 2018/343/EU²), Brazil has continued to advance in its science, technology and innovation (STI) development. A continent in itself by its size and resources, the country can be considered a 'science powerhouse' in the Latin American continent. The country continues to be the EU's major STI partner in the region, with research and innovation (R&I) cooperation remaining an important and positive building block of the EU's overall relations with this country.

The main instruments for cooperation are the EU framework programmes for research and innovation. Among non-associated third countries, Brazil was the 6th most active in Horizon 2020 (representing over 25% of the whole Latin American and Caribbean (LAC) countries participation), with a success rate well above the average. The evaluation carried out by the European Commission clearly demonstrates that the Agreement provides an important framework for facilitating cooperation between the EU and Brazil in common S&T priority areas, leading to mutual benefits.

During the time-life of Horizon 2020 (2014-2020), cooperation between the EU and the Brazilian research community led, among other results, to the further development of transatlantic marine research & innovation within the All-Atlantic Ocean Research Alliance, based on the Belém Statement with the EU and South Africa. Additionally, there was important collaboration in health research, tackling global challenges such as the Zika virus, with strong Brazilian participation in the calls for proposals launched by the EU in 2016. The fruitful collaboration for tackling COVID-19 needs to be highlighted, with Brazilian entities taking part in two projects under the 'emergency calls' launched by the European Commission, as well as under multilateral initiatives, in particular Global Research Collaboration for Infectious Disease Preparedness (GloPID-R). Furthermore, in the last five years a positive involvement of Brazilian entities in research infrastructures (RI) projects has contributed to the mapping of LAC RIs.

Brazil is a key player in any future global climate change and sustainability scenario, the country is a valuable partner in biodiversity research and in any ecosystems-based approach to addressing environmental challenges. Cooperation has been intensified in sustainability-related areas contributing to the Green Deal, e.g. in fresh water management and biodiversity through active Brazilian involvement in BiodivERsA calls for research proposals; indeed Brazil is at the centre of ERA-LAC collaboration in biodiversity research. There is potential for new actions, in a Team Europe approach, on climate related topics such as forest degradation, deforestation and sustainable agriculture.

¹ OJ L 295, 11.11.2005, p. 38.

² OJ L 67, 09.03.2018, p. 1.

Another area in which cooperation has been promoted is sustainable, greener and safer aviation. The EU and Brazil have also embarked on cooperation on sustainable and smart cities. EU-Brazil cooperation on digital key topics, including 5G, Internet of Things and Cloud computing under Horizon 2020, placed EU as a major partner of Brazil in this area. It has culminated in the inauguration of the optical fibre cable under the BELLA project with significant Brazil funding and strong potential for valuable R&I partnerships in areas such as high performance and quantum computing and space.

A Collaboration Arrangement, under the Agreement, signed in 2013, and renewed in 2018, between the Joint Research Centre and the Ministry of Science, Technology and Innovation of Brazil, has enhanced bilateral cooperation in several areas namely disaster prevention and crisis management, monitoring of wildfires and forests degradation by means of remote sensing; climate change and critical raw materials.

Legal entities established in non-associated, high-income third countries such as Brazil, generally bear the costs of their participation in collaborative activities under the EU framework programme for research and innovation. In this context, it is noteworthy that an Administrative Arrangement between the Brazilian Federal and State Funding bodies and the European Commission was signed in May 2018, aiming to facilitate the cooperation with the Agencies that provided funding to Brazilian legal entities taking part in Horizon 2020 collaborative activities. A similar arrangement is to be signed in the context of Horizon Europe as well, ensuring that Brazilian entities are supported for their participation in Horizon Europe projects selected for funding.

The EU-Brazil S&T Joint Steering Committee Meeting of 24 March 2021 confirmed the positive dynamics in our dialogue in all the above areas, with the prospect of continuing and stepping up bilateral R&I cooperation under Horizon Europe (2021-2027). All this augurs well for the prospects of Brazilian participation in the future Missions and Partnerships of Horizon Europe. Additionally, Brazil features high in the next EEAS programming for the period 2021-2027, with several EU-Brazil Team Europe Initiatives (TEIs), focused on overarching EU objectives. This reaffirms the position of Brazil as a strategic STI partner of the EU and the significant potential of synergies.

In view of all above, it is therefore in the EU's interest to renew the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil for a new period of five years.

Both Parties confirmed their wish to renew the Agreement by exchange of letters, dated 11 May 2021 and 24 May 2021.

The material content of the renewed Agreement will be identical to that of the current Agreement.

- **Consistency with existing policy provisions in the policy area**

This initiative is fully in line with the Commission Communication of 18 May 2021 on the Global Approach to Research and Innovation, Europe's strategy for international cooperation in a changing world (COM(2021)252 final/2)³.

³ “Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the Global Approach to Research and Innovation, *Europe's strategy for international cooperation in a changing world*” (COM(2021) 252 final/2).

A particularly valuable example of a Global Alliance, promoted by the EU and Brazil, is the already mentioned All-Atlantic Ocean Research Alliance, which inspired to a great extent the whole conception of Global Alliances in the above-referred Communication. A further example is Mission Innovation (MI), which is a global initiative of 22 countries and the European Union, with the aim to accelerate effort in innovation in clean energy. MI members represent over 90% of global government investment in clean energy research and innovation. In MI both EU and Brazil are very active members, namely in the field of bio-fuels.

The Global Approach Strategy upholds the idea that “stronger engagement should be sought with Brazil [...] and other EU partners in the region, in areas such as green and digital transition, health, or developing common solutions for a sustainable recovery. An increasing collaboration with the EU Space programme and the new Copernicus hubs and Galileo centres in LAC will play a key role to drive innovation and research in the region”.

- **Consistency with other Union policies**

The EU's 'Global Strategy for the EU's Foreign and Security Policy' confirms that research cooperation is an important aspect of EU foreign policy and sees research cooperation as an essential element of stronger socio-economic ties, notably with Latin American countries. It is also important to mention that the Commission Communication on the Global Approach to Research and Innovation reaffirms the EU's commitment to international openness and respect for fundamental values in the field of research and innovation. In this sense, it recalls the importance of multilateral as well as bilateral cooperation with different international partners, including Brazil. The EU's overarching policy priorities such as the Green Deal & sustainable development, the digital transition and global health are reflected in the EU's STI bilateral relations with Brazil, notably in cooperation through the Horizon Europe programme.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

- **Legal basis**

The EU's power to act internationally in research and technological development is based on Article 186 TFEU. The procedural legal basis for the proposal is point (a) (v) of the second subparagraph of Article 218(6) TFEU.

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

- **Regulatory fitness and simplification**

This initiative is not part of the REFIT agenda

4. BUDGETARY IMPLICATIONS

Only human and administrative resources are required and are set out in the "Legislative Financial Statement".

In the light of the above considerations, the Commission requests that the Council:

- approves, on behalf of the Union, and with the consent of the European Parliament, the renewal of the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil which will apply, following the expiry of the five years, for an additional period of five years (i.e. from 08.08.2022 until 07.08.2027);

- authorises the President of the Council to designate the person(s) empowered to notify the Government of the Federative Republic of Brazil that the Union has completed its internal procedures necessary for the entry into force of this renewed Agreement.

Proposal for a

COUNCIL DECISION

concerning the renewal of the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 186 in conjunction with point (a) (v) of the second subparagraph of Article 218(6) thereof,

Having regard to the proposal from the European Commission,

Having regard to the consent of the European Parliament,

Whereas:

- (1) By Decision 2005/781/EC⁴, the Council approved the conclusion of the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil⁵ (the 'Agreement').
- (2) In accordance with Article XII of the Agreement, the Agreement enters into force on the date on which both Parties have notified each other in writing that their respective internal procedures necessary for the Agreement to enter into force have been completed. The Agreement was initially valid for a period of five years and may be renewed by agreement between the Parties after evaluation during the penultimate year of each subsequent renewal period.
- (3) By Decisions 2012/646/EU⁶ and 2018/343/EU⁷, the Council approved the renewal of the Agreement for an additional period of five years each time.
- (4) The exchange of letters between the parties to the Agreement, dated 11 May 2021 and 24 May 2021 confirmed their interest in renewing the Agreement for another five years.
- (5) The renewal of the Agreement should be approved on behalf of the Union,

⁴ Council Decision 2005/781/EC of 6 June 2005 on the conclusion of the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil (OJ L 295, 11.11.2005, p. 37).

⁵ OJ L 295, 11.11.2005, p.38.

⁶ Council Decision 2012/646/EU of 10 October 2012 concerning the renewal of the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil (OJ L 287, 18.10.2012, p. 4).

⁷ Council Decision 2018/343/EU of 5 March 2018 concerning the renewal of the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil (OJ L 67, 09.03.2018, p. 1).

HAS ADOPTED THIS DECISION:

Article 1

The renewal of the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil, for an additional period of five years, is hereby approved on behalf of the Union.

Article 2

The President of the Council shall designate the person(s) empowered to notify the Government of the Federative Republic of Brazil, on behalf of the Union, that the Union has completed its internal procedures necessary for the renewal of the Agreement in accordance with Article XII(2) of the Agreement.

Article 3

This Decision shall enter into force on the date of its adoption.

Done at Brussels,

*For the Council
The President*

LEGISLATIVE FINANCIAL STATEMENT

Contents

1.	FRAMEWORK OF THE PROPOSAL/INITIATIVE	9
1.1.	Title of the proposal/initiative	9
1.2.	Policy area(s) concerned	9
1.3.	The proposal/initiative relates to:.....	9
1.4.	Objective(s)	9
1.4.1.	General objective(s)	9
1.4.2.	Specific objective(s).....	9
1.4.3.	Expected results(s) and impact.....	9
1.4.4.	Indicators of performance	9
1.5.	Grounds for the proposal/initiative	10
1.5.1.	Requirement(s) to be met in the short or long term including a detailed timeline for roll-out of the implementation of the initiative	10
1.5.2.	Added value of Union involvement (it may result from different factors, e.g. coordination gains, legal certainty, greater effectiveness or complementarities). For the purposes of this point 'added value of Union involvement' is the value resulting from Union intervention which is additional to the value that would have been otherwise created by Member States alone.	10
1.5.3.	Lessons learned from similar experiences in the past.....	10
1.5.4.	Compatibility with the Multiannual Financial Framework and possible synergies with other appropriate instruments.....	10
1.5.5.	Assessment of the different available financing options, including scope for redeployment.....	11
1.6.	Duration and financial impact	11
1.7.	Management mode(s) planned	11
2.	MANAGEMENT MEASURES.....	13
2.1.	Monitoring and reporting rules	13
2.2.	Management and control system.....	13
2.2.1.	Justification of the management mode(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed	13
2.2.2.	Information concerning the risks identified and the internal control system(s) set up to mitigate them.....	13
2.2.3.	Estimation and justification of the cost-effectiveness of the controls (ratio of "control costs ÷ value of the related funds managed"), and assessment of the expected levels of risk of error (at payment & at closure)	13
2.3.	Measures to prevent fraud and irregularities.....	13
3.	ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE.....	15

3.1.	Heading(s) of the multiannual financial framework and expenditure budget line(s) affected.....	15
3.2.	Estimated impact of the proposal on appropriations.....	16
3.2.1.	Summary of estimated impact on operational appropriations.....	16
3.2.2.	Estimated output funded with operational appropriations	19
3.2.3.	Estimated impact on appropriations of an administrative nature.....	20
3.2.4.	Compatibility with the current multiannual financial framework.....	22
3.2.5.	Third-party contributions	22
3.3.	Estimated impact on revenue	23

LEGISLATIVE FINANCIAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

Proposal for a Council Decision concerning the renewal of the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil

1.2. Policy area(s) concerned

Policy strategy and coordination of, in particular, the Directorates-General RTD, AGRI, CLIMA, JRC, EAC, ENER, GROW, CNECT, MARE, MOVE and SANTE.

1.3. The proposal/initiative relates to:

- ☐ a new action
- ☐ a new action following a pilot project/preparatory action⁸
- ☒ the extension of an existing action
- ☐ a merger or redirection of one or more actions towards another/a new action

1.4. Objective(s)

1.4.1. General objective(s)

The present initiative will allow both Parties to improve and intensify their cooperation in scientific and technological areas of common interest.

1.4.2. Specific objective(s)

Specific objective

This decision should allow both Parties to enhance the cooperation and develop a more strategic partnership by increasing the scale and scope of existing cooperation, by addressing commonly key societal challenges and by promoting reciprocal access to programmes and funding. It will also allow to increase regional cooperation where appropriate.

1.4.3. Expected results(s) and impact

Specify the effects which the proposal/initiative should have on the beneficiaries/groups targeted.

This decision will allow both Brazil and the European Union to derive mutual benefit from the scientific and technical progress achieved through research in their respective research programmes and ongoing cooperation activities. It will allow for exchange of specific knowledge and transfer of know-how to the benefit of the scientific community, industry and citizens of both Parties.

1.4.4. Indicators of performance

Specify the indicators for monitoring progress and achievements.

The Commission services will regularly monitor all actions carried out under the Agreement, including an evaluation by the EU on cooperation activities. This evaluation will consist, among others, of the following elements:

⁸ As referred to in Article 58(2)(a) or (b) of the Financial Regulation.

- (a) cooperation indicators – analysis of the number and type of participation of Brazilian entities in EU funded programmes (e.g. number of proposals, number of signed grant agreements, main collaboration links, main thematic; generated output) and vice-versa (whenever the data is available);
- (b) performance indicators – success rate of Brazilian entities participating in the EU framework programmes compared to other third countries and to MS/AC; analysis of the quality of the participation (e.g. number of best ranked universities taking part on the programme, number of patents and publications coming from collaborative projects);
- (c) data collection regarding cooperation activities and links beyond the respective research funding programmes and assessment of the impact of these activities, like participation in multilateral initiatives and working groups.

1.5. Grounds for the proposal/initiative

1.5.1. Requirement(s) to be met in the short or long term including a detailed timeline for roll-out of the implementation of the initiative

This decision will allow the two Parties to continue to improve and intensify their cooperation in scientific and technological areas for mutual benefit.

1.5.2. Added value of Union involvement (it may result from different factors, e.g. coordination gains, legal certainty, greater effectiveness or complementarities). For the purposes of this point 'added value of Union involvement' is the value resulting from Union intervention which is additional to the value that would have been otherwise created by Member States alone.

Cooperation in research & innovation between Brazil and the EU and its Member States has been growing steadily in the past years. The involvement of the EU allows activities with larger scale and scope for the benefit of all Member States. The renewal of this Agreement will allow to the EU to have easier access to scientific knowledge produced in Brazil and to engage in more cooperation activities leading to additional exchange of knowledge and technologies. It will also provide easier access to the Brazilian market for European companies.

1.5.3. Lessons learned from similar experiences in the past

Based on the experience so far in the field of scientific and technological cooperation, it is considered mutually beneficial to continue research cooperation with Brazil, as a strategic partner of the Union in research and innovation.

1.5.4. Compatibility with the Multiannual Financial Framework and possible synergies with other appropriate instruments

The renewal of the Agreement with Brazil is considered to be fully coherent and in line with the overall policy framework on International Cooperation in Research and Innovation, namely the recently adopted Commission Communication of 18 May 2021 on the Global Approach to Research and Innovation, Europe's strategy for international cooperation in a changing world (COM(2021)252 final/2)

Synergies with other Union instruments in the area of EU-Brazil cooperation will be sought, notably through the corresponding Team Europe Initiatives in the region, with the NDICI instrument and with various sectoral initiatives of the Commission,

in particular those of DGs EAC, CNECT, DEFIS, ENV, CLIMA and REGIO, among others.

1.5.5. *Assessment of the different available financing options, including scope for redeployment*

The financial needs to cover the proposed action are available within the Horizon Europe Programme (administrative appropriations). The coordination of the proposed action and its implementation will be covered internally by the Commission, requiring an estimated 0.5 FTE annually for the duration of the proposed action with the following breakdown:

Year 2022: 7 months of salary of 0.5 official

Years 2023-2026: 12 months of salary of 0.5 official

Year 2027: 5 months of salary of 0.5 official

1.6. **Duration and financial impact**

☒ **limited duration**

- ☒ Proposal/initiative in effect from 08/08/2022 to 07/08/2027
- ☒ Financial impact from 08/08/2022 to 07/08/2027

☐ **unlimited duration**

- Implementation with a start-up period from YYYY to YYYY,
- followed by full-scale operation.

1.7. **Management mode(s) planned⁹**

☒ **Direct management** by the Commission

- ☐ by its departments, including by its staff in the Union delegations;
- ☐ by the executive agencies

☐ **Shared management** with the Member States

☐ **Indirect management** by entrusting budget implementation tasks to:

- ☐ third countries or the bodies they have designated;
- ☐ international organisations and their agencies (to be specified);
- ☐ the EIB and the European Investment Fund;
- ☐ bodies referred to in Articles 70 and 71 of the Financial Regulation;
- ☐ public law bodies;
- ☐ bodies governed by private law with a public service mission to the extent that they provide adequate financial guarantees;
- ☐ bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that provide adequate financial guarantees;

⁹ Details of management modes and references to the Financial Regulation may be found on the BudgWeb site:
<https://myintracomm.ec.europa.eu/budgweb/EN/man/budgmanag/Pages/budgmanag.aspx>

- ☐ persons entrusted with the implementation of specific actions in the CFSP pursuant to Title V of the TEU, and identified in the relevant basic act.
- *If more than one management mode is indicated, please provide details in the 'Comments' section.*

Comments

[...]

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

Specify frequency and conditions.

Brazil's participation in the Framework programme is monitored on a regular basis through meetings of the Joint Steering Committee established under Article VI of the Agreement.

2.2. Management and control system

2.2.1. *Justification of the management mode(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed*

The proposed initiative in the context of the Horizon Europe Framework Programme for Research & Innovation will be implemented through direct management mode.

As an activity to be fully carried out by a policy officer of the Commission, direct management is the most appropriate implementation mode. In particular, the expected core tasks necessary for a proper implementation of the proposed activity, such as policy dialogue, assessment of the EU-Brazil research and innovation cooperation landscape, identification of joint collaboration priorities and similar tasks, are principal activities of the implementing service of the Commission – the 'Global Approach & International Cooperation in R&I' Directorate of DG R&I.

Additional support tasks of organisational, logistical, administrative and advisory nature may be assigned under a future framework contract for support actions for the international cooperation in research and innovation. Such support tasks, designed to enhance the efficiency and effectiveness of the proposed action, will be supervised by the Commission and will remain under its direct management.

2.2.2. *Information concerning the risks identified and the internal control system(s) set up to mitigate them*

Meetings and bilateral contacts take place on a regular basis allowing for the systematic sharing of information and control. No risks have been identified in the control system.

2.2.3. *Estimation and justification of the cost-effectiveness of the controls (ratio of "control costs ÷ value of the related funds managed"), and assessment of the expected levels of risk of error (at payment & at closure)*

N/A

2.3. Measures to prevent fraud and irregularities

Specify existing or envisaged prevention and protection measures.

When the implementation of the Framework programme calls for the use of external contractors or entails granting financial contributions to third parties, the Commission will carry out, where appropriate, financial audits, in particular if it has reason to doubt the realistic nature of work performed or described in the activity reports.

The Union's financial audits will be carried out either by its own staff or by accounting experts approved according to the law of the audited party. The Union will choose the latter freely, while avoiding any risks of conflicts of interest which

might be indicated to it by the party subject to the audit. In addition, the Commission will make sure, in carrying out the research activities, that the financial interests of the Union are protected by effective checks and, where irregularities are detected, by deterrent and proportionate measures and penalties.

In order to achieve this aim, rules on checks, measures and penalties, with reference to Regulations No 2988/95, No 2185/96 and No 883/2013 will be incorporated in all contracts used in the implementation of the Framework programme.

In particular, the following points will have to be provided for in the contracts:

- the introduction of specific contractual clauses to protect the financial interests of the EU in carrying out checks and controls in relation to the work performed;
- the carrying out of administrative checks as part of anti-fraud measures, in accordance with Regulations No 2185/96, No 883/2013;
- the application of administrative penalties for all intentional or negligent irregularities in the implementation of the contracts, in accordance with the Framework Regulation No 2988/95, including a blacklisting mechanism;
- the fact that any recovery orders in the event of irregularities and fraud must be enforceable according to Article 299 of the Treaty on the Functioning of the European Union.

In addition and as a routine measure, a control programme in respect of the scientific and budgetary aspects will be carried out by the responsible staff in the DG for Research and Innovation; an internal audit will be carried out by the Internal Audit unit of DG Research and Innovation; and local inspections will be undertaken by the European Court of Auditors.

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- Existing budget lines

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Heading 1 – Single market, Innovation and Digital – Research and Innovation – Horizon Europe	Diff./Non-diff. ¹⁰	from EFTA countries ¹¹	from candidate countries ¹²	from third countries	within the meaning of Article 21(2)(b) of the Financial Regulation
1	01 01 01 01	Non-diff.	YES	YES	YES	NO
1	01 01 01 03	Non-diff.	YES	YES	YES	NO

- New budget lines requested

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number [Heading..... ...]	Diff./Non-diff.	from EFTA countries	from candidate countries	from third countries	within the meaning of Article 21(2)(b) of the Financial Regulation
	[XX.YY.YY.YY]		YES/NO	YES/NO	YES/NO	YES/NO

¹⁰ Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.

¹¹ EFTA: European Free Trade Association.

¹² Candidate countries and, where applicable, potential candidate countries from the Western Balkans.

3.2. Estimated impact of the proposal on appropriations

3.2.1. Summary of estimated impact on operational appropriations

- ☒ The proposal/initiative does not require the use of operational appropriations
- ☐ The proposal/initiative requires the use of operational appropriations, as explained below:

EUR million (to three decimal places)

Heading of multiannual financial framework			1	‘Single market, Innovation and Digital – Research and Innovation – Horizon Europe’					
DG: RTD			Year 2022 ¹³	Year 2023	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL
• Operational appropriations									
Budget line	Commitments	(1a)							
	Payments	(2a)							
Budget line	Commitments	(1b)							
	Payments	(2b)							
• Appropriations of an administrative nature financed from the envelope of specific programmes ¹⁴									
Budget line 01 01 01 01	Commitments & Payments	(3)	0.044	0.076	0.076	0.076	0.076	0.032	0.380
Budget line 01 01 01 03	Commitments & Payments	(3)	0.004	0.012	0.012	0.012	0.012	0.008	0.060
TOTAL appropriations for DG RTD	Commitments	=1a+1b+3	0.048	0.088	0.088	0.088	0.088	0.040	0.440
	Payments	=2a+2b+3	0.048	0.088	0.088	0.088	0.088	0.040	0.440

¹³ Year 2022 is the year in which implementation of the proposal/initiative starts. Amounts for 2022 calculated based on 7 months of salary of 0.5 FTE; for 2023-2026 calculated based on 12 months of salary of 0.5 FTE; and 2027 calculated based on 5 months of salary of 0.5 FTE.

¹⁴ Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former ‘BA’ lines), indirect research, direct research.

• TOTAL operational appropriations	Commitments	(4)							
	Payments	(5)							
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.048	0.088	0.088	0.088	0.088	0.040	0.440
TOTAL appropriations under HEADING 1 of the multiannual financial framework	Commitments	=4+ 6	0.048	0.088	0.088	0.088	0.088	0.040	0.440
	Payments	=5+ 6	0.048	0.088	0.088	0.088	0.088	0.040	0.440

If more than one heading is affected by the proposal / initiative:

• TOTAL operational appropriations (all operational heading)	Commitments	(4)							
	Payments	(5)							
• TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	0.048	0.088	0.088	0.088	0.088	0.040	0.440
TOTAL appropriations under HEADINGS 1 to 6 of the multiannual financial framework (Reference amount)	Commitments	=4+ 6	0.048	0.088	0.088	0.088	0.088	0.040	0.440
	Payments	=5+ 6	0.048	0.088	0.088	0.088	0.088	0.040	0.440

Heading of multiannual financial framework	7	‘Administrative expenditure’
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EUR million (to three decimal places)

		Year 2022	Year 2023	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL
DG: <.....>								
• Human resources								
• Other administrative expenditure								
TOTAL DG <.....>	Appropriations							

TOTAL appropriations under HEADING 7 of the multiannual financial framework	(Total commitments = Total payments)							
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EUR million (to three decimal places)

		Year 2022	Year 2023	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL
TOTAL appropriations under HEADINGS 1 to 7 of the multiannual financial framework	Commitments	0.048	0.088	0.088	0.088	0.088	0.040	0.440
	Payments	0.048	0.088	0.088	0.088	0.088	0.040	0.440

3.2.2. Estimated output funded with operational appropriations

Commitment appropriations in EUR million (to three decimal places)

Indicate objectives and outputs ↓			Year N		Year N+1		Year N+2		Year N+3		Enter as many years as necessary to show the duration of the impact (see point 1.6)						TOTAL	
	OUTPUTS																	
	Type ¹⁵	Average cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	No	Cost	Total No	Total cost
SPECIFIC OBJECTIVE No 1 ¹⁶ ...																		
- Output																		
- Output																		
- Output																		
Subtotal for specific objective No 1																		
SPECIFIC OBJECTIVE No 2 ...																		
- Output																		
Subtotal for specific objective No 2																		
TOTALS																		

¹⁵ Outputs are products and services to be supplied (e.g.: number of student exchanges financed, number of km of roads built, etc.).

¹⁶ As described in point 1.4.2. 'Specific objective(s)...

3.2.3. Estimated impact on appropriations of an administrative nature

- ☐ The proposal/initiative does not require the use of appropriations of an administrative nature
- ☒ The proposal/initiative requires the use of appropriations of an administrative nature, as explained below:

EUR million (to three decimal places)

	Year 2022 ¹⁷	Year 2023	Year 2024	Year 2025	Year 2026	Year 2027	TOTAL
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HEADING 7 of the multiannual financial framework							
Human resources							
Other administrative expenditure							
Subtotal HEADING 7 of the multiannual financial framework							

Outside HEADING 7¹⁸ of the multiannual financial framework							
Human resources	0.044	0.076	0.076	0.076	0.076	0.032	0.380
Other expenditure of an administrative nature	0.004	0.012	0.012	0.012	0.012	0.008	0.060
Subtotal outside HEADING 5 of the multiannual financial framework	0.048	0.088	0.088	0.088	0.088	0.040	0.440

TOTAL	0.048	0.088	0.088	0.088	0.088	0.040	0.440
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The appropriations required for human resources and other expenditure of an administrative nature will be met by appropriations from the DG that are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

¹⁷ Year 2022 is the year in which implementation of the proposal/initiative starts.

¹⁸ Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

3.2.3.1. Estimated requirements of human resources

- ☐ The proposal/initiative does not require the use of human resources.
- ☒ The proposal/initiative requires the use of human resources, as explained below:

Estimate to be expressed in full time equivalent units

	Year 2022	Year 2023	Year 2024	Year 2025	Year 2026	Year 2027
• Establishment plan posts (officials and temporary staff)						
20 01 02 01 (Headquarters and Commission's Representation Offices)						
20 01 02 03 (Delegations)						
01 01 01 01 (Indirect research)	0.35	0.5	0.5	0.5	0.5	0.25
01 01 01 11 (Direct research)						
• External staff (in Full Time Equivalent unit: FTE)¹⁹						
20 02 01 (AC, END, INT from the 'global envelope')						
20 02 03 (AC, AL, END, INT and JPD in the delegations)						
XX 01 xx yy zz²⁰	- at Headquarters					
	- in Delegations					
01 01 01 02 (AC, END, INT - Indirect research)						
01 01 01 12 (AC, END, INT - Direct research)						
Other budget lines (specify)						
TOTAL	0.35	0.5	0.5	0.5	0.5	0.25

XX is the policy area or budget title concerned.

The human resources required will be met by staff from the DG who are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

Description of tasks to be carried out:

Officials and temporary staff	Preparation and management of Joint Committee Meetings foreseen under Article VI of the Agreement and missions ensuring the good functioning and implementation, as well as regular review, of the Agreement. Calculations are done proportionally considering the duration of the Agreement.
External staff	

¹⁹ AC= Contract Staff; AL = Local Staff; END= Seconded National Expert; INT = agency staff; JED= Junior Experts in Delegations.

²⁰ Sub-ceiling for external staff covered by operational appropriations (former 'BA' lines).

3.2.4. Compatibility with the current multiannual financial framework

The proposal/initiative:

- ☒ can be fully financed through redeployment within the relevant heading of the Multiannual Financial Framework (MFF).

Explain what reprogramming is required, specifying the budget lines concerned and the corresponding amounts. Please provide an excel table in the case of major reprogramming.

- ☐ requires use of the unallocated margin under the relevant heading of the MFF and/or use of the special instruments as defined in the MFF Regulation.

Explain what is required, specifying the headings and budget lines concerned, the corresponding amounts, and the instruments proposed to be used.

- ☐ requires a revision of the MFF.

Explain what is required, specifying the headings and budget lines concerned and the corresponding amounts.

3.2.5. Third-party contributions

The proposal/initiative:

- ☒ does not provide for co-financing by third parties.
- The proposal/initiative provides for the co-financing estimated below:

Appropriations in EUR million (to three decimal places)

	Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)			Total
Specify the co-financing body								
TOTAL appropriations co-financed								

3.3. Estimated impact on revenue

- ☒ The proposal/initiative has no financial impact on revenue.
- ☐ The proposal/initiative has the following financial impact:
 - ☐ on own resources
 - ☐ on miscellaneous revenue

EUR million (to three decimal places)

Budget revenue line:	Appropriations available for the current financial year	Impact of the proposal/initiative ²¹						
		Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)		
Article								

For assigned revenue, specify the budget expenditure line(s) affected.

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Other remarks (e.g. method/formula used for calculating the impact on revenue or any other information).

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²¹ As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e. gross amounts after deduction of 20 % for collection costs.