## **EUROPEAN COMMISSION**



Brussels, 10.6.2013 C(2013) 3435 final

Dear President,

The Commission would like to thank the Bundesrat for its Opinion concerning the Commission proposal for Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020) and the Supplementary Research Programme for the ITER Project (2014-2018) {COM(2011) 809\_810\_811\_812\_817\_931 final}, and apologises for the long delay in replying.

The Commission welcomes the opinion on Horizon 2020 with regard to the European Institute of Innovation and Technology (EIT). The Commission would like to clarify that the EIT is a European Union Body and its mission is to contribute to EU policies, i.e. innovation, not to implement a funding programme. Like regulatory agencies, the EIT has functional, operational and budgetary autonomy. As regards the risk of overlap with other Horizon 2020 instruments, the very integration of the EIT into the overall Horizon 2020 framework will further reinforce the complementarity of the EIT and its Knowledge and Innovation Communities (KICs) with other instruments. Moreover, while the EIT and its KICs are autonomous in defining their work programmes, the Commission ensures through various coordination mechanisms that synergies with other initiatives are achieved.

As regards Horizon 2020, the Commission thanks the Bundesrat for the strong support expressed in its Opinion. Although the Horizon 2020 proposals are currently discussed in the European Parliament and the Council, the Commission remains very open to hear any new ideas being put forward and the Commission will keep the Bundesrat's specific suggestions in mind as the negotiation process continues.

On ITER, the Commission's proposal suggests the financing to be exclusively through Member States' contributions made to the General Budget of the EU and assigned to the Programme. On 7-8 February, the European Council reached a political agreement on the next Multiannual Financial Framework (MFF), which foresees that the ITER project should be financed from the MFF (under sub-heading 1a), with a maximum level of commitment of EUR 2 707 million. The same approach would be followed for the large infrastructure projects Galileo and GMES. This political agreement is an important milestone in the process of finalising the MFF for the 2014-2020 period and opens the way for further negotiations between the Council and the European Parliament.

Mr Winfried KRETSCHMANN President of the Bundesrat Leipziger Straβe 3 - 4 D – 10117 BERLIN Concerning the respective budget allocation for nuclear research and for energy research outside the Euratom programme, it is important to underline that:

- for nuclear research indirect actions, the budget indicated in the Euratom proposal (expressed in current values) maintains the same level of annual commitment appropriations as under the two previous Framework Programmes. This is particularly true for fission indirect actions, where the proposal stays fully in line with the budget of the current Programme (2012-2013). As regards the budget for the JRC direct actions, the proposal includes an increase of about 30% as compared with the 2009-2013 period. This budget proposal is based on the amounts allocated under the last year of the current Framework Programme, corrected for inflation (2%), plus an additional amount that takes into account the cost of infrastructure projects in line with the strengthened nuclear and security standards, EU regulations and environmental objectives (EUR 80 million over the 5-year Programme).
- the Horizon 2020 proposal foresees a very significant increase in the budget allocation for research on non-nuclear energy and on energy efficiency (under the specific objective 'Secure, clean and efficient energy' of the 'Societal Challenges' priority), with commitment appropriations of EUR 6.15 billion, compared to EUR 2.35 billion under the FP7 Programme. This reflects the Union's objectives of tackling major challenges such as climate change and energy security, while also addressing the need expressed by some Member States like Germany, to further engage in research on alternative sources of energy.

The Commission hopes that these clarifications address the comments and questions raised in your Opinion and looks forward to continuing the political dialogue with the German Bundesrat.

Yours faithfully,

Maroš Šefčovič Vice-President