

# STEP: a testing ground for EU funding for strategic technologies



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## **STEP** The pitch



#### A testing ground for the future MFF



#### The needs and challenges

- Competitiveness and resilience of EU industry at risk
- **Global race** for critical technologies
- Investment needs for transition
- Outward forces in the Single Market
- Private capital not at scale
- Constraints on EU budget
- Fragmented/complex offer of EU funding
- Need for a **European response**



## **An innovation in EU funding**(under current MFF)

- Not a new fund
- **A collective journey** STEP across 11 EU programmes (14 DGs involved, 27 MS + implementing partners)
- **Efficient:** use of existing networks/ processes
- Articulation direct/indirect/shared managed funds
- Taskforce
- User-centric

- New Commission in 2024
- New MFF proposals by mid-2025
- Success & experience of STEP to feed into ambition
- EU value-added in the investment journey





**CRMA** 

## **STEP** The scope

STEP Sectors

Digital and deep innovation tech

Clean and resource efficient tech

Bio tech

STEP Objectives

Supporting the **development or manufacturing** of critical technologies or safeguarding and strengthening their respective **value chains\*** 

Addressing shortages of **labour and skills** 

STEP Conditions

Bring an **innovative**, cutting-edge element with significant economic potential to the Single Market

Contribute to **reduce or prevent strategic dependencies** of the Union

Strategic project under
NZIA & CRMA

Tech covered by an **IPCEI** 

Support production within the EU

**NZIA** 

Third country participation in proq. ?

(indicative & non-exhaustive)

**Examples** 

Artificial intelligence, quantum technologies, advanced connectivity

Carbon capture and storage technologies, heat pumps

Molecular biotechnology, pharmaceuticals, crop biotechnology



Guidance on the scope of STEP (article 2 - May)



#### **STEP** The tools





#### **Reprogramming EU funding towards STEP**

- Dedicated calls under directly managed funds
- Revision of RRPs and cohesion policy funds' programmes to include STEP (uptake by cohesion policy funds/RRF)
- STEP embedded in existing funds, follows existing processes and governance (e.g. for project selection)
- Top-up of the European Defence Fund of 1.5bn€ for STEP





#### **STEP Sovereignty Seal**

- Awarded under directly managed funds
- Valid unless the project has not started within 5 years of award; and project relocated outside EU.
- Easier access to (cumulative/combined) funding under other EU funds
- Visibility for other public investors, and for private investors
- First seals expected H2 2024





#### **STEP Portal**

- Consolidating all EU funding opportunities for STEP sectors
- Giving visibility to projects awarded a STEP Sovereignty Seal
- User-centric
- Gradual development, v1 in Q2
- Link to existing online resources (assistance, other portal, etc.)



#### **One-Stop-Shop**

- Hub managing a COM internal network, a MS/Partners network
- Entry point on STEP for the industry
- Support to identify funding opportunity matching need
- Working closely with all DGs, including DG REGIO/DG EMPL to provide adequate support

## **STEP** The EU programmes covered





Horizon\*

EU4 Health

Pipeline of projects

European

Defence

Fund

Innovation Fund

> **Digital** Europe Prog.

InvestEU



**STEP** Sovereignty Seal

5 programmes in shared management

**ERDF** 

Cohesion Fund

ESF+

Just **Transition** Fund

**RRF** 



## 2 STEP The STEP Sovereignty Seal

**Programmes** awarding

**Innovation** Fund

> Horizon **Europe**

**Digital Europe Programme** 

**EU4Health** 

European **Defence Fund**  **Conditions** for award

Project complying with the minimum quality requirements of the call for proposals

Contributing to STEP objectives

**Publication** on STEP Portal



Award of **STEP Sovereignty** Seal

Valid throughout duration of project

#### Unless:

- · Project has not started within 5 years of award
- Project relocated outside EU

Sources of alternative/cumulative funding

**Cohesion policy funds** (ERDF, ESF+)

**National Recovery** and Resilience Facility (RRF)

**Modernisation Fund** 

InvestEU

Other Union funds or programmes

Managing Authorities can directly award support to projects, provided they align to the scope of ERDF or ESF+ and contribute to the programme objectives

Project to be considered as a priority for funding when revising RRPs – possibility to provide alternative or cumulative funding

Project may be considered as a priority for funding

To be taken into account by EIB and Implementing Partners during the policy check process

> Project could be granted (combined) support



First seals to be awarded in H2 2024



## STEP First calls in direct management: detail

Programme	Call topic name	Budget (in M€)	STEP sector	Opening date	Submission date
Innovation Fund	General decarbonisation - Large-Scale Projects	1,700	clean tech	23-Nov-23	09-Apr-24
	General decarbonisation - Medium-Scale Projects	500	clean tech	23-Nov-23	09-Apr-24
	General decarbonisation - Small-Scale Projects	200	clean tech	23-Nov-23	09-Apr-24
	Clean-tech manufacturing	1,400	clean tech	23-Nov-23	09-Apr-24
	Pilot projects	200	clean tech	23-Nov-23	09-Apr-24
European Defence Fund	Unmanned collaborative combat aircraft (U-CCA) systems	15	deep/digital	20-Jun-24	05-Nov-24
	Secured and adaptive underwater communications for UUSs	24	deep/digital	20-Jun-24	05-Nov-24
	Methods for bridging reality gaps	15	deep/digital	20-Jun-24	05-Nov-24
	Electronic components	25	deep/digital	20-Jun-24	05-Nov-24
	Quantum technologies	24	deep/digital	20-Jun-24	05-Nov-24
	Al-based multifunctional aperture and transceiver	45	deep/digital	20-Jun-24	05-Nov-24
	Defence multi-dimensional communication standard	25	deep/digital	20-Jun-24	05-Nov-24
	Small enhanced European UAS	11	deep/digital	20-Jun-24	05-Nov-24
	Next-Generation Cooperative Cyber Range	48	deep/digital	20-Jun-24	05-Nov-24
	Secure waveform for satellite communications	25	deep/digital	20-Jun-24	05-Nov-24
	Energy-independent and energy-efficient systems for military camps	40	clean tech	20-Jun-24	05-Nov-24
	Multipurpose unmanned ground systems	50	deep/digital	20-Jun-24	05-Nov-24
	Simulation and training for medical emergencies	10	deep/digital	20-Jun-24	05-Nov-24
	Defence medical countermeasures Alliance – Research actions	15	biotech	20-Jun-24	05-Nov-24
	Defence medical countermeasures Alliance – Development actions	10	biotech	20-Jun-24	05-Nov-24





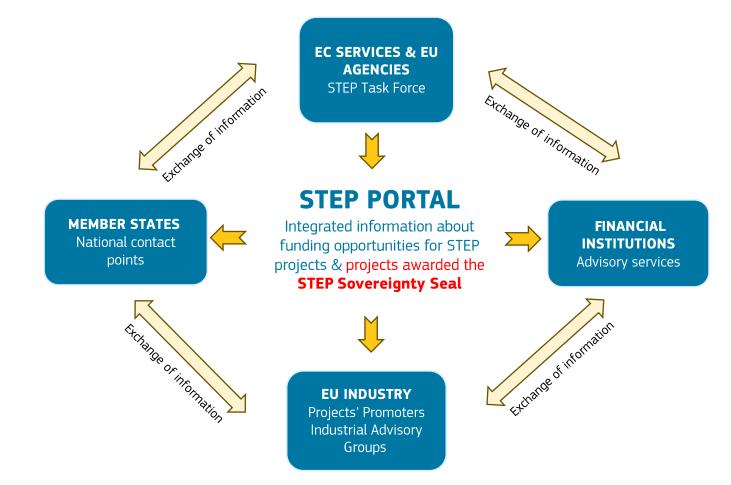
## STEP Upcoming calls in direct management

Publication of calls - tentative timeline									
	2024			2025					
	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
EDF									
DEP									
IF									
EU4Health									
HE (EIC)									



#### **STEP** The Portal for stakeholders





The portal will provide aggregated information about relevant funding opportunities with the ongoing an upcoming calls under the EU programmes contributing to the STEP objectives, as well as guidance and contacts to the existing advisory services. It will also show the projects that received the **STEP Sovereignty Seal** 

**V1** will go live in **Q2 2024** with information about Direct Management Calls



**V2** (around **Q3 2024**) will integrate Indirect Management



V3 (Q4 2024) will integrate
Shared Management Calls (including seal
dedicated calls)



## **STEP** Projects displayed in the STEP Portal



- List of projects awarded the STEP Sovereignty Seal published in STEP Portal after end of evaluation process (aprox. 6 months after submission deadline)
- Information about projects will include:
  - Title
  - Project abstract
  - Name and address of beneficiary/ies
  - Programme that awarded the Sovereignty Seal
  - Funding requested/funding received
- Information publicly accessible by managing authorities (and other investors) but Commission will actively
  push relevant lists of projects to member states → in principle through NCPs
- $\circ$  Beneficiaries will also receive a **document** proving that they have been awarded the STEP Sovereignty Seal





#### **STEP** The National Contact Points

- To be nominated within **3 months from the adoption of STEP** (1 June 2024); 5 MS already nominated their NCPs; NCPs to be published in the Portal;
- **Main purpose**: To act as the main point of contact for the implementation of the STEP initiative at national level.
- **Responsibilities**: receive general updates on information relevant for the implementation of STEP (guidance on scope); engage bilaterally with the Commission taskforce for STEP to tackle specific questions/issues; coordinate strategically STEP in the MS.



## Thank you!

Get in touch with us at EC-STEP-PARTNERS@ec.europa.eu

More information on STEP available on the dedicated Webpage.

STEP Regulation available <u>here</u>.

Webinar on STEP in cohesion policy (25 April 2024):

- Webstreaming
- Recording and presentation

