EU/New Zealand Agreement: participation of New Zealand in Union programmes

2023/0059(NLE) - 07/03/2023 - Preparatory document

PURPOSE: to conclude the Agreement between the European Union, of the one part, and the Government of New Zealand, of the other part, concerning New Zealand's participation in Union programmes.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: New Zealand and the European Union have a long and successful history of cooperation in research and innovation. A Science and Technology Cooperation Agreement has been in force between New Zealand and the EU since 2009.

New Zealand has actively participated in the two previous framework programmes for research and innovation, FP7 and Horizon 2020. The exploratory phase clarified New Zealand's interest in joining Pillar II of the Horizon Europe programme (Global Issues and European Industrial Competitiveness). The priorities defined in the clusters of this pillar are rich in potential synergies with the New Zealand R&I system and correspond to the strong political will of both parties to jointly address global issues such as climate change, health, energy and mobility, food, bioeconomy and natural resources, and the environment.

The Horizon Europe Regulation on association provides for the possibility of association of third countries and territories that jointly meet all the criteria set out in the Regulation. New Zealand fulfils these cumulative criteria.

On 9 September 2022, the Council authorised the Commission to open negotiations, on behalf of the European Union, with New Zealand with a view to concluding an agreement between the European Union and New Zealand on the general principles for the participation of New Zealand in Union programmes and for the association of New Zealand with "Horizon Europe", the framework programme for research and innovation for the period 2021-2027.

Negotiations started on 28 October 2022 and were concluded on 20 December 2022. The text of the draft agreement was initialled by the representatives of each of the future parties on 22 December 2022.

In accordance with the negotiating directives obtained by the Commission from the Council, the agreement is composed of two parts, namely the general principles for the participation of New Zealand in the Union programmes and the protocol on the terms and conditions for the association of New Zealand with the Framework Programme for Research and Innovation "Horizon Europe" (2021-2027). The latter part is incorporated into the Protocol and forms an integral part of the Agreement.

CONTENT: the Commission proposes that the Council decide to approve, on behalf of the Union, the Agreement between the European Union and New Zealand concerning the **participation of New Zealand in Union programmes**.

The Agreement regulates exhaustively the conditions for the association of New Zealand, applicable to all Union programmes. It governs the terms and conditions for participation in EU programmes, the

modalities for establishing participation (or association) in a given EU programme and New Zealand's participation in the governance of EU programmes or activities. It contains detailed rules for the establishment of New Zealand's financial contribution to Union programmes, including, where appropriate, an automatic correction mechanism. It also contains detailed rules for the protection of the EU's financial interests in all EU programmes.

The Agreement also establishes institutional structures, namely a joint committee to, inter alia, monitor the implementation of the agreement and examine how to improve and develop cooperation under the agreement.

The Agreement aims to create a lasting legal framework for cooperation between the EU and New Zealand on EU programmes. It should remain in force for the duration of several EU multi-annual financial frameworks. Protocols on New Zealand's association with each specific Union programme could be added to this agreement in the future, if these programmes are open to New Zealand's participation under the basic acts of the Union establishing each of the programmes concerned, and if this is the political wish of both parties and after completion of the necessary internal procedures.

An association of New Zealand to Pillar II should not only reinforce already strong cooperation in areas of mutual interest, but also help to unlock the potential for cooperation in other important areas, such as administrative megadata and precision agriculture, sustainable energy, seismic research or industrial innovation.

Niche areas of excellence' identified in the New Zealand research system include bioengineering in medicine, optimisation in industry and services, and Antarctic research. In the Pacific region, the EU cooperates with New Zealand on a range of issues, including climate change, regional integration, ocean governance, fisheries (including illegal, unreported and unregulated fishing) and security (including maritime security). New Zealand also leads in inclusive research by encouraging the integration of indigenous (Mtauranga Mori) knowledge into all disciplines.

According to the Commission, cooperation in the framework of an association between the EU and New Zealand would strengthen the EU's innovation capacity and competitiveness. It is expected that this association could lead to a significant increase in cooperation as the EU is New Zealand's main regional partner in science and innovation, with more than half of New Zealand researchers regularly engaged in active collaborations with EU partners.

The financial impact on revenue is estimated at EUR 18.972 million (60-month period starting 1/1/2023).