Basic information

2013/0234(NLE) NLE - Non-legislative enactments	Procedure completed
ECSEL Joint Undertaking for the implementation of the Joint Technology Initiative on 'Electronic Components and Systems for European Leadership' Repealing Regulation (EC) No 74/2008 2007/0088(CNS) Repealing Regulation (EC) No 72/2008 2007/0122(CNS) **Subject** 3.40.06 Electronics, electrotechnical industries, ICT, robotics 3.50.20 Scientific and technological cooperation and agreements	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ITRE Industry, Research and Energy	RÜBIG Paul (PPE)	10/10/2013
	Shadow rapporteur DROUTSAS Dimitrios (S&D) PANAYOTOV Vladko Todorov (ALDE) TURMES Claude (Verts /ALE) TOŠENOVSKÝ Evžen (ECR)	

Committee for opinion	Rapporteur for opinion	Appointed
BUDG Budgets	The committee decided not to give an opinion.	
CONT Budgetary Control	GEIER Jens (S&D)	14/10/2013

Council of the European Union

Council configuration	Meetings	Date
General Affairs	3306	2014-03-18
Competitiveness (Internal Market, Industry, Research and Space)	3258	2013-09-26
Competitiveness (Internal Market, Industry, Research and Space)	3276	2013-12-03

European

Commission DG	Commissioner

Commission	Communications Networks, Content and Technology	KROES Neelie

Key events

Date	Event	Reference	Summary
10/07/2013	Legislative proposal published	COM(2013)0501	Summary
10/09/2013	Committee referral announced in Parliament		
26/09/2013	Debate in Council		
23/01/2014	Vote in committee		
31/01/2014	Committee report tabled for plenary, 1st reading/single reading	A7-0074/2014	Summary
15/04/2014	Decision by Parliament	T7-0374/2014	Summary
15/04/2014	Results of vote in Parliament		
06/05/2014	Act adopted by Council after consultation of Parliament		
06/05/2014	End of procedure in Parliament		
07/06/2014	Final act published in Official Journal		

Technical information

Procedure reference	2013/0234(NLE)
Procedure type	NLE - Non-legislative enactments
Procedure subtype	Consultation of Parliament
Amendments and repeals	Repealing Regulation (EC) No 74/2008 2007/0088(CNS) Repealing Regulation (EC) No 72/2008 2007/0122(CNS)
Legal basis	Treaty on the Functioning of the European Union TFEU 187 Treaty on the Functioning of the European Union TFEU 188 -a1
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	ITRE/7/13407

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE523.014	21/11/2013	
Amendments tabled in committee		PE524.773	06/12/2013	
Committee opinion	CONT	PE521.741	08/01/2014	
Committee report tabled for plenary, 1st reading/single reading		A7-0074/2014	31/01/2014	Summary

Text adopted by Parliament, 1st reading/single reading		T7-0374/2014	15/04/2014	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2013)0501	10/07/2013	Summary
Document attached to the procedure	SWD(2013)0255	10/07/2013	
Document attached to the procedure	SWD(2013)0256	10/07/2013	
Commission response to text adopted in plenary	SP(2014)471	09/07/2014	
Follow-up document	SWD(2017)0338	06/10/2017	
Follow-up document	SWD(2017)0339	06/10/2017	

Additional information

Source	Document	Date
National parliaments	IPEX	
European Commission	EUR-Lex	

Final act

Regulation 2014/0561
OJ L 169 07.06.2014, p. 0152 Summary

ECSEL Joint Undertaking for the implementation of the Joint Technology Initiative on 'Electronic Components and Systems for European Leadership'

2013/0234(NLE) - 10/07/2013 - Legislative proposal

PURPOSE: the establishment of the Electronic Components and Systems for European Leadership (ECSEL) Joint Undertaking (JU).

PROPOSED ACT: Council Regulation.

ROLE OF THE EUROPEAN PARLIAMENT: the Council adopts the act after consulting the European Parliament but without being obliged to follow its opinion.

BACKGROUND: in order to better align EU support for research and innovation with industrial goals and attract higher industrial investments in Europe, Horizon 2020 provides for the setting-up of **public-private partnerships in key areas** where research and innovation could contribute to Europe's wider competitiveness goals and help tackle societal challenges. **Micro- and nanoelectronics, and smart embedded components and systems** are priority fields identified within the ICT theme in Horizon 2020.

Europe is facing **two main challenges** in electronic components and systems, a sector that represents more than EUR 1 000 billion in turnover worldwide. One is to be in control of the key elements of the value chain, (i.e. design, manufacturing and integration in final products), that are essential to ensure the sustainability of value creation from electronics in Europe including the competitiveness of many other European industrial sectors

(automotive, energy, health, web industry, etc.). The other is to bridge important gaps in the innovation chains in order to better transform research excellence into commercial successes. At the same time, Europe must cope with fierce global competition, declining market shares of its industry, high costs of research and innovation and fast-paced technological development.

The ECSEL JU **replaces** the previous ENIAC and ARTEMIS JUs launched under the Seventh Framework Programme (2007-2013) which respectively aimed at creating a Europe-wide research and development programme in the fields of nanoelectronics and embedded systems with an incentive for industry, Member States and the European Union to align strategies and increase investments.

The JUs demonstrated that they can successfully play the role of **catalyst for ambitious projects** increasing the engagement of the private sector champions in a framework in which national and European public authorities can support topics of high strategic value. In the period 2008-2012, a total research, development and innovation investment of EUR 2.8 billion was realised by some 2 000 participants of which over 500 are SMEs.

IMPACT ASSESSMENT: the proposal is accompanied by a summary of the impact assessment.

LEGAL BASIS: Articles 187 and 188 of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: the new proposal for a public-private partnership (PPP) concerns **a Joint Undertaking (JU) in the field of electronic components and systems**. The ECSEL (Electronic Components and Systems for European Leadership) JU **replaces the previous ENIAC and ARTEMIS JUs** respectively in the fields of nanoelectronics and embedded computing systems launched under the Seventh Framework Programme.

The proposal lays down the **objectives, the legal status, the operating rules and the statutes for the period 2014-2024** (and financial programming up to 2020). The JU's headquarters would be in Brussels (Belgium).

The main **specific objectives of this new JU** include the following:

- to contribute to the development of a strong and globally competitive electronics components and systems industry in the Union;
- to align strategies with Member States to attract private investment and contribute to sound public finances by avoiding unnecessary duplication and fragmentation of efforts;
- to maintain and grow semiconductor and smart system manufacturing capability in Europe;
- to secure a commanding position in design and systems engineering including embedded technologies;
- to provide access for all stakeholders to a world-class infrastructure for the design and manufacture of electronic components and embedded and smart systems;
- to build a dynamic ecosystem involving innovative small- and medium-sized enterprises (SMEs), strengthening existing clusters and nurturing the creation of new clusters in promising new areas.

BUDGETARY IMPLICATION: the indicative EU contribution is of **EUR 1 215 255 000** at current prices (EFTA included) over the total lifetime of the ECSEL JU (until 2024). This allocation would have to be committed before 21 December 2020, when the Horizon 2020 comes to an end and paid by 31 December 2024.

ECSEL Joint Undertaking for the implementation of the Joint Technology Initiative on 'Electronic Components and Systems for European Leadership'

2013/0234(NLE) - 31/01/2014 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Industry, Research and Energy adopted, in the framework of a special legislative procedure (Parliament consultation), the report by Paul RÜBIG (EPP, AT) on the proposal for a Council regulation on the ECSEL Joint Undertaking.

The committee approved the Commission proposal subject to the following amendments:

Establishment of a Joint Undertaking: for the implementation of the Joint Technology Initiative on ECSEL, a Joint undertaking, ECSEL, (Electronic Components and Systems for European Leadership), should be established for a period from 1 January 2014 until 31 December 2024. In order to take account of the duration of Horizon 2020, **all calls for proposals should be launched by 31 December 2020**.

Objectives: the Joint Undertaking should: (i) ensure the availability of electronic components and systems for key markets and for addressing societal challenges by **bridging the gap between research and industrial and commercial exploitation**; (ii) apply a simplified **operating model and simplification measures;** (iii) promote the involvement of **small and medium-sized enterprises (SMEs).**

Scope of work: Members introduced a new article which aims to clarify the scope of activities of the ECSEL Joint Undertaking, in particular with respect to the relevant Technology Readiness Levels (TRLs) covered by its research programme. The rules of participation also call for a greater consideration of the TRL-concept to stipulate funding levels, which is taken up in this article with a view to the funding rates used in indirect actions.

Union's financial contribution: the maximum Union contribution, including contributions from member states of the European Free Trade Association (EFTA), to the ECSEL Joint Undertaking to cover administrative costs and operational costs should be **EUR 1 154 492 250** (compared to EUR 1 215 255 000 as proposed by the Commission).

The Union's financial contribution should be conditional upon proof by the ECSEL Joint Undertaking that its multiannual work plan and the actions which it funds correspond to the research priorities laid down in the Horizon 2020 Framework Programme.

Staff: in exceptional circumstances, the Governing Board could, by motivated decision, decide to temporarily suspend the delegation of the appointing authority powers to the Executive Director. In this case, the Governing Board should **inform in writing the Commission and the European Parliament** on such decisions of suspension within 5 working days, provide detailed reasons and specify the implementing rules of new or temporary provisions with regard to the management of the Joint Undertaking. The ECSEL Joint Undertaking should take appropriate administrative measures, inter alia, through training and prevention strategies, to avoid **conflicts of interest**.

Evaluation: by **30 June 2017**, the Commission should organise an independent interim evaluation of the ECSEL Joint Undertaking. The results of the independent interim evaluation of the ECSEL Joint Undertaking shall be taken into account in the interim evaluation of Horizon 2020. In order to respond to unforeseen situations or to new developments and needs the Commission may, following the interim evaluation of Horizon 2020, within the annual budgetary procedure, review the budget of the ECSEL Joint Undertaking.

The evaluation should pay specific attention to the impact on the accessibility of entities from Union Member States which are not members of the ESCEL Joint Undertaking to funding under the ECSEL Joint Undertaking.

Discharge: Members proposed that the discharge for the implementation of the budget of the ECSEL Joint Undertaking should be given by the European Parliament, upon recommendation of the Council.

Audits: the European Court of Auditors should regularly carry out audits not only of compliance but also of the performance of the Joint Undertaking's activities and partners on the basis of documents or on-the-spot checks.

Anti-fraud measures: the amended text provides that the staff of the Joint Undertaking, the Executive Director and the members of the Governing Board should, without delay and without any question of their responsibility being called into question as a result, notify OLAF of any frauds which have come to their attention in the fulfilment of their duties or remit.

ECSEL Joint Undertaking for the implementation of the Joint Technology Initiative on ‘Electronic Components and Systems for European Leadership’

2013/0234(NLE) - 15/04/2014 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 631 votes to 42, with 4 abstentions, a legislative resolution on the proposal for a Council regulation on the ECSEL Joint Undertaking.

Parliament approved the Commission proposal subject to the following amendments:

Joint Undertaking: to implement the Joint Technology Initiative on ‘Electronic Components and Systems for European Leadership’, the ECSEL Joint Undertaking should be established for a period up to **31 December 2024**. In order to take into account the duration of the Horizon 2020 Framework Programme, calls for proposals under ECSEL Joint Undertaking should be launched **at the latest by 31 December 2020**. In duly justified cases calls for proposals may be launched until 31 December 2021.

The ECSEL Joint Undertaking should provide continued support to the nanoelectronics and embedded computing systems research programmes by **implementing the remaining actions** initiated under the ENIAC and ARTEMIS Joint Undertakings.

The ECSEL Joint Undertaking should seek to develop close interactions with the European Structural and Investment Funds (ESIF).

Financial contributions: the maximum Union contribution, including contributions from member states of the European Free Trade Association (EFTA), to the ECSEL Joint Undertaking to cover administrative costs and operational costs should be **EUR 1 184 874 000**.

The ECSEL Participating States shall make a financial contribution to the operational costs of the ECSEL Joint Undertaking to commensurate to the contribution of the Union. The amount of at least **EUR 1 170 000 000** is envisaged. The private members should make or arrange for their constituent entities and affiliated entities to make contributions to the ECSEL Joint Undertaking of at least **EUR 1 657 500 000**.

Openness and transparency: in order to facilitate participation, the calls for proposals launched by the ECSEL Joint Undertaking should also be published on the **single portal for participants** as well as through other Horizon 2020 electronic means of dissemination managed by the Commission. The ECSEL Joint Undertaking should operate in an open and transparent way providing all relevant information in a timely manner to its appropriate bodies as well as promoting its activities, including information and dissemination activities to the wider public.

Discharge: in view of the specific nature and the current status of the Joint Undertakings, and in order to ensure continuity with the 7th Framework Programme, the Joint Undertakings should continue to be subject to a separate discharge.

Simplification: for the purpose of simplification, administrative burdens should be reduced for all parties. Double audits and disproportionate documentation and reporting should be avoided.

Participation rules: specific criteria regarding the eligibility of individual applicants to receive funding from ECSEL Participating States may be determined by the relevant funding authorities. Such criteria could cover, inter alia, the applicant type, including legal status and purpose, conditions of liability and viability, including financial soundness, and the fulfilment of fiscal and social obligations.

Evaluation: by **30 June 2017**, the Commission should carry out, with the assistance of independent experts, an interim evaluation of Joint Undertaking, and send a report to the European Parliament and to the Council by 31 December 2017. The results of the interim evaluation of the ECSEL Joint Undertaking shall be taken into account in the interim evaluation of Horizon 2020.

ECSEL Joint Undertaking for the implementation of the Joint Technology Initiative on 'Electronic Components and Systems for European Leadership'

2013/0234(NLE) - 06/05/2014 - Final act

PURPOSE : to strengthen industrial research and innovation across the Union by means of the implementation, by the ECSEL Joint Undertaking, of the Joint Technology Initiative on 'Electronic Components and Systems for European Leadership.

NON-LEGISLATIVE ACT: Council Regulation (EU) n° 561/2014 establishing the ECSEL Joint Undertaking.

CONTENT: the Framework Programme for Research and Innovation, Horizon 2020, supports public-private partnerships in research and innovation in order that the Union might tackle certain key challenges.

This Regulation aims to establish **a new Joint Undertaking** (JU) for the implementation of the Joint Technology Initiative on '**Electronic Components and Systems for European Leadership'** for a period up to 31 December 2024.

The ECSEL Joint Undertaking replaces the ENIAC and the ARTEMIS Joint Undertakings, established in the specific areas of nanoelectronics and embedded computing systems respectively and set up under the Seventh Framework Programme.

The ECSEL JU is a body entrusted with the implementation of a public-private partnership. Its seat will be located in Brussels, Belgium.

In order to take into account the duration of Horizon 2020, calls for proposals under the ECSEL Joint Undertaking must be launched **at the latest by 31 December 2020** (in duly justified cases, by 31 December 2021). Calls for proposals will be published on the **single portal for participants** as well as through other Horizon 2020 electronic means of dissemination managed by the Commission.

The rules for **participation and dissemination** of the Horizon 2020 programme will apply to the JU.

Objectives of the JU: the ECSEL JU shall aim to:

- €€€€€€€ contribute to the development of a strong and globally competitive **electronics components and systems industry** in the Union;
- €€€€€€€ align strategies with Member States to **attract private investment** and contribute to the effectiveness of public support by avoiding an unnecessary duplication and fragmentation of efforts and by facilitating the participation of actors involved in research and innovation;
- €€€€€€€ maintain and grow **semiconductor** and smart system manufacturing capability in Europe, including leadership in manufacturing equipment and materials processing;
- €€€€€€€ secure **a commanding position** in design and systems engineering including embedded technologies;
- €€€€€€€ provide access to **a world-class infrastructure** for the design and manufacture of electronic components and embedded/cyber-physical and smart systems; and
- €€€€€€€ build a **dynamic ecosystem** involving Small and Medium-Sized Enterprises (SMEs), thereby strengthening existing clusters and nurturing the creation of new clusters in promising new areas.

The ECSEL JU should seek to develop close interactions with the **European Structural and Investment Funds** (ESIF).

Funding: the Union financial contribution to the ECSEL JU shall come from Horizon 2020 and be up to **EUR 1 184 874 000**. The ECSEL Participating States shall make a financial contribution to the operational costs of the ECSEL Joint Undertaking that is commensurate with the Union's financial contribution. The amount shall be at least **EUR 1 170 000 000.**

The Commission **may terminate**, proportionally reduce or suspend the Union's financial contribution to the JU or trigger the winding-up procedure if members other than the Union, including their constituent entities and affiliated entities, do not provide contributions.

The Regulation contains provisions that aim to ensure the **protection of the EU's financial interests.**

The **discharge** for the implementation of the budget of the JU shall be given by the European Parliament, upon recommendation of the Council in accordance with the procedure provided for in the financial rules of the ECSEL JU.

Evaluation: by 30 June 2017 the Commission shall carry out, with the assistance of independent experts, an interim evaluation of the JU. It shall send that report to the European Parliament and to the Council by 31 December 2017. The results of the interim evaluation shall be taken into account in the interim evaluation of Horizon 2020.

The JU's mandate will end on 31 December 2024 and the JU will be wound up.

ENTRY INTO FORCE: 27.06.2014.