



## COVERSHEET

<b>Minister</b>	Hon Dr Ayesha Verrall	<b>Portfolio</b>	Research, Science and Innovation
<b>Title of Cabinet papers</b>	Horizon Europe Association Agreement between the European Union and New Zealand: Approval for Signature  New Zealand Association to Horizon Europe: Negotiating Mandate	<b>Date to be published</b>	10 July 2023

### List of documents that have been proactively released

<b>Date</b>	<b>Title</b>	<b>Author</b>
23 November 2022	<i>New Zealand Association to Horizon Europe - Negotiating Mandate</i>	<i>Office of the Minister of Research, Science and Innovation</i>
10 May 2023	<i>Horizon Europe Association Agreement between the European Union and New Zealand - Approval for Signature</i>	
	<i>Annex One - EU-NZ Horizon Europe Association Agreement and Protocol</i>	
	<i>Annex Two - National Interest Analysis, Horizon Europe Association</i>	
25 January 2023	<i>New Zealand Association to Horizon Europe: Negotiating Mandate</i> <i>DEV-22-MIN-0281 Minute</i>	<i>Cabinet Office</i>
10 May 2023	<i>Horizon Europe Association Agreement between the European Union and New Zealand: Approval for Signature</i> <i>DEV-23-MIN-0076 Minute</i>	

### Information redacted

### YES / NO

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the reasons of National Economy, Confidential Advice to Government, Free and Frank Opinions, and International Relations.



# Cabinet Economic Development Committee

## Minute of Decision

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

### Horizon Europe Association Agreement between the European Union and New Zealand: Approval for Signature

**Portfolio**                      **Research, Science and Innovation**

On 10 May 2023, the Cabinet Economic Development Committee (DEV):

#### Horizon Europe

- 1        **noted** that Horizon Europe is:
  - 1.1     the European Union's main research and innovation framework and funding platform (worth €95.5 billion, NZ \$160 billion), and runs from 2021-2028;
  - 1.2     organised under three pillars: 1) Excellent Science, 2) Global Challenges and European Industrial Competitiveness, and 3) Innovative Europe;
- 2        **noted** that formal Association by New Zealand to Horizon Europe would confer eligibility onto New Zealand research organisations to bid into Pillar Two of this programme and receive funding from this programme on the same terms as European research organisations, and would also grant access to world-leading research infrastructure in Europe;
- 3        **noted** that Association to Horizon Europe will contribute to strengthening New Zealand's international connections in science and innovation through high-quality collaborations with the European Union and its member states, and their international partners across both research and industry;

#### Negotiations

- 4        **noted** that in November 2022, DEV agreed that officials should commence formal negotiations with the European Commission for New Zealand to Associate to Horizon Europe [DEV-22-MIN-0281];
- 5        **noted** that negotiations have now been completed, in line with the mandate and costs outlined in DEV-22-MIN-0281;

#### Costs of Association

- 6        National economy

7 **noted** that:

7.1 following consultation with peak organisations in the New Zealand research community, the Ministry of Business, Innovation and Employment considers a research overheads top-up to be a necessary complement to the research grants outlined in paragraph 6 above, to enable meaningful and equitable participation in Horizon Europe programmes;

7.2 **National economy** [Redacted]

8 **noted** that:

8.1 the expenses for Association to Horizon Europe are uncapped, and that MBIE will establish a pre-registration system to mitigate any unexpected expenses;

8.2 if costs appear to be heading towards exceeding the budgeted appropriation, the payment of overheads to New Zealand research organisations could be reduced or discontinued;

9 **National economy** [Redacted]

[Redacted]

[Redacted]

[Redacted]

**Treaty Process**

13 **noted** that since January 2023, following conclusion of negotiations, the European Commission has unilaterally granted New Zealand research organisations transitional access to Pillar Two of the Horizon Europe programme to secure timely access for research organisations into the 2023 grant year;

14 **approved** the text of the Treaty, which constitutes the *Agreement between the European Union and New Zealand on the participation of New Zealand in Union Programmes* (the Agreement), and the *Protocol on the Association of New Zealand to Horizon Europe – the Framework Programme for Research and Innovation (2021- 2027)* (the Protocol), both of which are attached as Annex One to the submission under DEV-23-SUB-0076;

15 **noted** that Article 12 of the Agreement has the characteristics of an indemnity from New Zealand to the European Commission;

16 **noted** that the Minister of Finance has agreed in principle to provide an indemnity by way of a Deed of Indemnity to the European Commission and the Court of Justice of the European Union under section 65ZD of the Public Finance Act 1989, to be signed at the appropriate time (mid-2023);

- 17 **agreed** that New Zealand sign the Treaty;
- 18 **authorised** the Minister of Research, Science and Innovation to approve any necessary minor or technical amendments to the Treaty ahead of signature;
- 19 **noted** that provisional application of the Treaty will begin when the Parties notify each other of the completion of internal procedures necessary for that purpose, which is expected to be in mid-2023;
- 20 **noted** that provisional application will occur before Parliamentary Treaty Examination so that New Zealand can access the benefits of the Treaty before entry into force;
- 21 **agreed** that the Treaty can be provisionally applied before entry into force;
- 22 **noted** that the Treaty will enter into force on the date of the completion of domestic processes in both New Zealand and the European Union, which will require the approval of the European Parliament and the Parliaments of all European Union member states, which in turn is expected to be completed in mid-2024;
- 23 **authorised** the conclusion of the notification required to bring the Treaty into force, subject to the satisfactory completion of the Parliamentary Treaty Examination process;
- 24 **approved** the content of the National Interest Analysis (NIA), attached as Annex Two to the submission under DEV-23-SUB-0076;
- 25 **agreed** to present the Treaty and the NIA to the House of Representatives for the purposes of the Parliamentary Treaty Examination process, under Standing Order 405.

Janine Harvey  
Committee Secretary

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**Present:**

Hon Grant Robertson (Chair)  
Hon Dr Ayesha Verrall  
Hon Willie Jackson  
Hon David Parker  
Hon Priyanca Radhakrishnan  
Hon Kieran McAnulty  
Hon Ginny Andersen  
Hon Barbara Edmonds  
Hon Dr Duncan Webb  
Hon Rino Tirikatene  
Hon Dr Deborah Russell  
Hon Rachel Brooking

**Officials present from:**

Office of the Prime Minister  
Officials Committee for DEV