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European Commission

Annual Activity Report 2025

DG Research and Innovation

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DG RESEARCH AND INNOVATION IN BRIEF



The Directorate-General for Research and Innovation (DG RTD) drives the European Commission's ambition to place research, innovation, science and technology at the heart of Europe's competitiveness and its transition to a clean and digital economy. In line with President von der Leyen's 2024–2029 political guidelines and the mandate set out in Articles 179–190 TFEU, DG RTD works to strengthen the European Research Area, generate new scientific and technological knowledge, and stimulate breakthrough innovation that reflects European values and underpins the Union's long-term strategic autonomy.

Operating under shared competences with Member States (Article 4(3) TFEU), DG RTD functions in a governance environment shaped by legal obligations under the TFEU and the Euratom Treaty. The DG designs and implements EU research and innovation policies and programmes, ensures evidence-based policymaking across the Commission, advances science diplomacy, and fosters international cooperation. It operates in a context marked by rapid technological change, global competition, and geopolitical pressures—requiring agility, long-term investment and coordination across a distributed implementation system.

DG RTD is responsible for the strategic design and oversight of **Horizon Europe**, the EU's framework programme for research and innovation (2021–2027), implemented through both direct and indirect management. Horizon Europe provides competitive funding for frontier research through the European Research Council, breakthrough innovation through the European Innovation Council, innovation ecosystems, EU Missions and European Partnerships. Implementation is shared with executive agencies and other funding bodies, reflecting the DG's coordinating role. In the nuclear field, DG RTD oversees the **Euratom Research and Training Programme**, grounded in the Euratom Treaty, supporting nuclear safety, security, radiation protection and the European fusion roadmap. The DG also manages the **Research Fund for Coal and Steel (RFCS)**—an extra-budgetary instrument financed from European Coal and Steel Community (ECSC) assets in liquidation—supporting targeted research in the coal and steel sectors in line with Protocol 37.

DG RTD's effectiveness relies on cooperation with the Joint Research Centre, other Commission DGs, Member States, associated countries and a diverse R&I community ranging from universities and research organisations to industry, SMEs and start-ups. Through this ecosystem, DG RTD ensures that scientific excellence and innovation contribute directly to Europe's competitiveness, resilience and sustainable prosperity, and that European values shape the technologies that will define the future.

EXECUTIVE SUMMARY

A. Key results and progress towards achieving the Commission's general objectives and department's specific objectives ([1])

2025 marked a turning point in translating President von der Leyen's political vision on research and innovation into strategies and delivery.



The Commission, notably in President's Sorbonne address in May 2025, set out a clear political direction: Europe must place research and innovation (R&I) at the core of its economic model and at the centre of its strategic autonomy. Responding to this mandate, DG Research and Innovation laid the foundations of the Union's entire 2025–2029 R&I agenda, adopting a suite of strategies designed to make Europe the most attractive place in the world to do research, innovate and scale deep-tech companies.

At the heart of this momentum was the launch of ***Choose Europe,*** announced by the President, the EU's new strategic offer to attract global talent. Throughout 2025, DG RTD transformed this political vision into operational reality, advancing "the Choose Europe" initiative across several key policy domains. This initiative is not simply a political communication: it is the structural reform aligning R&I with the EU's long-term strategic interests and competitiveness:



Choose Europe for Science – Advancing Research Careers in the EU. DG RTD mobilised €500 million package for 2025-2027 to make Europe a global magnet for researchers, complemented by a new 7-year funding instrument "ERC Plus Grants" to support outstanding researchers from Europe and from anywhere in the world. In addition, Horizon Europe offers more financial support for European Research Council researchers relocating to Europe, and higher allowances and longer contracts for young scientists under EU fellowships.



Choose Europe to Start and to Scale - **EU start-up and scale up strategy**. The Commission proposed an integrated set of actions to make the EU the best place in the world to launch and grow technology-driven innovative companies. The strategy combines legislative, policy and financial instruments at EU and Member State level to address the needs of innovative companies throughout their development.

([1]) For Executive Agencies the title of this section should be: 'Implementation of the Agency's Annual Work Programme - highlights of the year'.



Choose Europe for world-class research and technology infrastructures - European Strategy on Research and Technology Infrastructures. Recognising that research and technology infrastructures form the backbone of the R&I system, the strategy sets out a comprehensive approach to strengthening this ecosystem. It aims to ensure European infrastructures remain world-class, more accessible, and better aligned with the needs of innovators and industry supporting the full innovation pipeline from frontier science to technology deployment.



Choose Europe for life sciences - A strategy to position the EU as the world's most attractive place for life sciences by 2030. Life sciences are critical for Europe's competitiveness, as highlighted in the Competitiveness Compass, and underpin progress in health, agriculture, energy, food and biotechnology. In 2025, the Commission rolled out a dedicated strategy to make the EU the world's most attractive hub for life sciences by 2030.

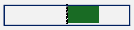
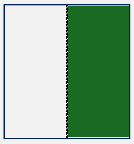


In parallel, the Commission adopted the **European Strategy for Artificial Intelligence in Science**, a significant step towards delivering the President's ambition for Europe to lead on technologies supporting its strategic autonomy. The strategy launches **RAISE** (Resource for AI Science in Europe), a virtual European institute pooling computing power, data, talent and funding to accelerate frontier AI and AI-enabled scientific breakthroughs. With a €107 million Horizon Europe pilot launched at the AI in Science Summit in Copenhagen, RAISE brings together key resources to apply advanced AI to major scientific and societal challenges, from improving cancer treatments to addressing environmental issues.

The Commission also ensured that Europe's core Research and Innovation (R&I) instruments translated these political priorities into measurable EU added value. **Horizon Europe** entered its final phase with the adoption of the Second Strategic Plan (2025–2027), providing a stable framework for investment. Structured around the green and digital transitions and a more resilient, competitive and democratic Europe, the plan embeds open strategic autonomy as a cross-cutting principle, reinforcing Europe's capacity to develop and deploy critical technologies. It raises ambition on sustainability by committing 10% of the 2025–2027 budget to biodiversity, complementing the 35% climate target over the programme's lifetime and €13 billion in main digital activities. The Strategic Plan also strengthens impact through nine new European co-funded and co-programmed partnerships and ensures a balanced portfolio from early-stage research to demonstration and first deployment, with the integration of social sciences and humanities. This strategic coherence is mirrored in the nuclear domain. In June 2025, the Council adopted the extension of the **Euratom Research and Training Programme for 2026–2027**, aligning it with Horizon Europe and ensuring continuity in strategic areas. Euratom continues to advance nuclear safety, radiation protection, waste management and Europe's leadership in fusion. By underpinning energy security, medical applications such as cancer treatment, and industrial competitiveness, Euratom reinforces the Union's technological sovereignty while contributing directly to citizens' safety and well-being.

In an endless spiral of geopolitical events, DG RTD demonstrated the ability of EU R&I instruments to respond rapidly to crises while supporting long-term strategic objectives. **For Ukraine**, DG RTD mobilised targeted Horizon Europe support: €20 million through EIC for deep-tech start-ups such as AI, robotics, cybersecurity; over €25 million via Cluster 6, for the reconstruction of forests and bioremediation of soils; and additional support through the SUN4Ukraine Partnership to help Ukrainian cities for climate neutral recovery planning and supported cultural strategies for peace. In response to the **Middle East conflict**, DG RTD established a Virtual Research Collaboration Hub providing mentorship and academic continuity for Gazan researchers, helping preserve scientific cooperation in times of crisis.

B. Key performance indicators

		To be completed by department	To be completed by department	Not to be changed	To be completed by department	To be completed by department
KPI #	KPI Title	Baseline (2024)	2025		Interim milestone (2027)	Target (2029)
Specific objective 1.1: Fostering the EU's Scientific and Technological Progress						
1.1.1	Number of peer-reviewed scientific publications measured in all peer-reviewed scientific publications produced by all activities funded by the programmes, whether they are indirect (from all grants, partnerships, EU missions) or direct (JRC).	9719	**24378**		**90000**	184850
Specific objective 1.2: Accelerating the conversion of emerging research into transformative innovation that is commercialised and scaled up in the EU						
1.2.1	Number of Intellectual Property Rights (IPR) produced by financed projects and researchers measured in number of Intellectual Property Rights (IPR) reported in all ongoing and finished Horizon Europe and Euratom direct and indirect action	124	**285**		**900**	1791
Specific objective 1.3: Facilitating Green & Digital transitions, promoting innovative health solutions, and fostering clean, sustainable economic growth						
1.3.1	Peer-reviewed output aimed at supporting green and digital transition and innovative health solutions measured in %	35	**59**		**>Baseline**	>Baseline
Specific objective 1.4: Developing an enabling research ecosystem built on the European Research Area (ERA) and empowering scientific talents						
1.4.1	Researchers involved in upskilling activities under R&I spending programmes	91110	**126 407**		**129795**	**129795**
Specific objective 2.1: Enhancing research and innovation capabilities for strategic and dual-use technologies (new target)						
2.1.1	Number of entities in projects funded under the EIC Accelerator and the Research Fund for Coal and Steel, which are categorized as dual use or defense related	N/A	**N/A**	#REF!	**N/A**	NA
Specific objective 4.1: Supporting a competitive and resilient agriculture, food system and protecting water and nature						
4.1.1	Number of peer-reviewed outputs aimed at improving quality of life measured in %	7	**15**		**>Baseline**	>Baseline
Specific objective 6.1: Contributing to the new economic foreign policy						
6.1.1	Number of non-EU partners/beneficiaries/legal entities in R&I EU funded projects	6015	**6745**		**>Baseline**	>Baseline
Specific objective 8.1: Providing high performing support to deliver on the Commission's political priorities including the implementation of EU R&I programmes						
8.1.2	*Estimated risk at payment for cost-based expenditure*	Estimated Risk at payment Horizon Europe grants: No representative error rate for Horizon Europe is available in 2024	**4.38%**		**< 2% of relevant expenditure**	**< 2% of relevant expenditure**

Comments:

In 2025, DG RTD continued to position research and innovation as a key driver of the European Union's Competitiveness Compass. The reported results point to clear progress in strengthening the Union's scientific base, enhancing the valorisation of research outcomes, supporting skills development and aligning investments with strategic policy priorities.

The indicator "*Number of peer-reviewed scientific publications produced by projects funded under R&I programmes*" increased significantly, reaching 24,378 in 2025, compared with 9,719 in 2024. This reflects both the progressive maturity of programme implementation and the sustained contribution of Europe's research community. A strong and expanding knowledge base remains essential to productivity, technological leadership and evidence-based policymaking.

The indicator "Number of intellectual property rights generated by projects funded under R&I programmes" also recorded a substantial increase, rising from 124 in 2024 to 285 in 2025. This confirms stronger valorisation pathways and a greater capacity to transform research results into protected knowledge assets, thereby supporting Europe's innovation ecosystem and industrial competitiveness.

The indicator "Share of outputs supporting the green and digital transitions or innovative health solutions" increased from 35% in 2024 to 59% in 2025. In parallel, the indicator "Share of outputs addressing quality of life, including food security, water and nature protection" rose from 7% to 15%. These developments show that

research funding is increasingly aligned with the Union's strategic priorities, while also contributing to resilience and sustainability.

Investment in human capital also increased markedly. The indicator "Number of researchers involved in upskilling activities supported by R&I programmes" has been revised to measure, through CORDA, the number of C&D researchers benefiting from upskilling activities across the full rang of funded activities under both programmes, whereas previously it did not cover all activities. This indicator is evolving as expected towards the target. The revised baseline is of 91,110 and the target of 129,795 has been set for 2027, which corresponds to the end of the current R&I programmes. As the research and innovation programme for the next MFF has not yet been finalised, including its financial envelope, it is not possible at this stage to estimate a target for 2029. This will be done as soon as possible once the relevant regulations are adopted. By strengthening advanced skills and supporting researcher development across Europe, DG RTD contributes to closing the innovation skills gap and ensuring that the Union has the talent needed to compete in emerging and strategic technologies.

International cooperation remained strong. The indicator "Number of non-EU partners participating in EU-funded research and innovation projects" increased from 6,015 to 6,745, confirming the continued attractiveness of Europe as a research partner and supporting broader economic and diplomatic objectives through science and innovation cooperation.

Operational performance kept pace with the growing scale of implementation. Satisfaction with the services and tools provided by the Common Implementation Centre increased from 88% to 93%, reflecting a high level of user confidence and administrative efficiency.

As regards the objective of enhancing research and innovation capacities for strategic and dual-use technologies, the relevant performance indicator is reported as not available for 2025. This is explained by the programme cycle, as the relevant calls were still in preparation during the reporting period and had not yet resulted in signed grant agreements or reportable project data.

Overall, the 2025 results confirm that research and innovation continue to make a concrete contribution to Europe's competitiveness, resilience and long-term growth.

Estimated Overall risk at payment and at closure for DG research and Innovation (DG RTD) (see section 2 internal control and financial management)

Estimated overall Risk at payment/closure	
Target	**Results**
Overall Risk at payment and at closure should be below 2%	- Overall Estimated risk at payment: 2.32% - Overall Estimated risk at closure: 2.08%

The estimated overall risk at payment and at closure for DG research and Innovation is close to the target of 2% **but the estimated risk at payment and at closure for Horizon Europe is above 2% (respectively 4.38% and 4.03% for DG RTD see section 2 for more details).**

C. Key conclusions on internal control and financial management

DG RTD has systematically examined the available control results and indicators, including those from supervised entities to which it has entrusted budget implementation tasks, as well as the observations and recommendations issued by the internal auditor and the European Court of Auditors.

The transition in 2025 to the Commission's new accounting system, SUMMA, has required the adjustment to a new system and has impacted budget implementation tasks, processes and financial management activities, particularly during the first part of the year. This has required careful management to ensure the same data quality as in previous years. In some cases, this may have resulted in lower performance for some standard financial indicators such as the timely payments.

Following an assessment of the effectiveness, efficiency and economy of its control system, DG RTD reached a positive conclusion on the cost-effectiveness of the controls. Moreover, the DG has reasonable assurance that the anti-fraud measures in place are effective overall.

The IAS audits on 'Horizon Europe - EIC grant agreements preparation and award procedures in EISMEA and DG RTD', and the 'Management of in-kind contributions (design under Horizon Europe)', indicated significant deficiencies affecting mainly Internal Control Principles (ICPs) 10, 11, and 12, (and 7 to a lesser extent), and having an impact on the assurance (reputational). Consequently, a reservation on reputational grounds was issued in this report. An action plan was approved, and the necessary resources will be allocated as soon as possible to implement the required actions within the agreed time frame.

The rate of the residual error within grants payments in the Horizon Europe Framework Programme (including Euratom), implemented directly and indirectly by DG RTD, was calculated at 4.05% for the research and innovation family, well above the materiality threshold of 2% and impacting the assurance. As a result, a reservation was issued in this report. A set of actions aiming at lowering this rate is already under implementation.

All the above elements have been assessed to determine their impact on management's assurance about the achievement of the control objectives. Please refer for further details to section 2 on Internal Control and Financial Management.

In conclusion, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated. Improvements are necessary concerning aspects of Internal Control Principles (ICPs) 10, 11, and 12, (and 7 to a lesser extent), as made evident by the IAS audits. The Director-General, in his capacity as Authorising Officer by Delegation, has signed the Declaration of Assurance albeit qualified by two reservations, namely:

- on the rate of the residual error within grants payments in the Horizon Europe Framework Programme (including Euratom), implemented directly and indirectly by DG RTD;
- on reputational grounds concerning weaknesses affecting the EIC award decision process.

D. Provision of information to the Commissioner(s) [to the Steering Committee and to the parent DG(s) Director(s) General – Only for Executive Agencies]

In the context of the regular meetings during the year between the DG RTD and the Commissioner on management matters, the main elements of this report and assurance declaration including the two reservations envisaged, have been brought to the attention of Commissioner E. Zaharieva, responsible for Startups, Research and Innovation.

1. KEY RESULTS AND PROGRESS TOWARDS ACHIEVING THE COMMISSION'S GENERAL OBJECTIVES AND SPECIFIC OBJECTIVES OF THE DEPARTMENT ([2])

General Objective 1: A new plan for Europe's sustainable prosperity and competitiveness

Specific Objective 1.1: Fostering the EU's Scientific and Technological Progress

The European Commission adopted the **European Strategy for AI in Science** in October 2025, establishing a coordinated framework to position Europe as a global leader in AI-enabled scientific discovery. The Strategy emphasises embedding EU values of transparency, explainability, and human-centric governance into AI-enabled research practice across the full research cycle—from literature reviews and laboratory automation to hypothesis generation and data analysis.

Following this strategic adoption, DG RTD launched the pilot phase of the **Resource for AI Science in Europe (RAISE)** in November 2025. Designed to close critical innovation gaps and reduce dependencies on non-European providers, RAISE functions as a virtual European institute pooling computational capacity, datasets, research funding and expertise across Member States and the private sector. The pilot phase has been launched with **€107 million** under Horizon Europe WP 2026-27, of which **€30 million** was allocated to talent development at PhD level through Doctoral Networks, ensuring Europe remains a competitive destination for emerging world-class talent in AI-enabled science.

The **European Digital Twin of the Ocean (EU DTO)** reached a pivotal milestone, transitioning from its foundational setup to its fully operational phase, known as **EDITO2 (2025–2028)**. By integrating Copernicus satellite data and the European Marine Observation and Data Network (EMODnet), the EU DTO provides high-resolution modelling enabling researchers and policymakers to simulate climate adaptation and sustainable resource management scenarios, directly supporting the European Green Deal. At the third United Nations Ocean Conference in Nice in June 2025, Commission President Ursula von der Leyen unveiled a prototype of the EU DTO, and announced that, building on this achievement, the **EU would launch a new Ocean Observation Initiative**.

To address sector fragmentation, DG RTD advanced the **European Collaborative Cloud for Cultural Heritage (ECCCH)** through the ECHOES project. It equips cultural institutions with unified tools for digitisation and remote collaboration, ensuring long-term preservation and accessibility of Europe's cultural assets.

DG RTD guided the integration of **Social Sciences and Humanities (SSH)** to ensure research and innovation address societal needs. The July 2025 monitoring report confirmed significant progress, with 40% of Pillar II topics designated as SSH-flagged and projects receiving **€7.2 billion** in funding.

The 2025 **'Culture, Creativity and Inclusive Society'** call attracted a record **1,331 proposals** (+80%), demonstrating strong commitment to the human dimension of Europe's transitions.

([2]) An executive agency uses as heading: "Implementation of the Agency's annual work programme - Highlights of the year".

In 2025 DG RTD has successfully embedded R&I priorities into the **European Semester** process. The 2025 Semester cycle marked a significant achievement, with R&I-related investments and reforms highlighted in the country-specific recommendations for 26 out of 27 Member States, an unprecedented level of recognition of R&I as a key driver of competitiveness, productivity and long-term growth.

Specific Objective 1.2: Accelerating the conversion of emerging research into transformative innovation that is commercialised and scaled up in the EU

The central action was the adoption and operationalisation of the **EU Startup and Scaleup Strategy,** which directly addresses structural barriers to scaling European **deep-tech** companies, followed by swift launch of several actions, including the European Startup and Scaleup Hubs. The strategy also led to the creation of the **Scaleup Europe Fund,** announced in October 2025. This multi-billion-euro co-financed vehicle, involving the European Commission, European Investment Bank, and leading private investors, is designed to target growth and late-stage investments in strategic deep-tech companies.

The **European Innovation Council (EIC) Fund** demonstrated strong catalytic capacity: by October 2025, it had invested over €1 billion across 272 companies and projects, mobilising approximately €2.6 billion in additional private investment. The newly launched **EIC STEP Scale-Up scheme** provided €300 million in 2025 for equity investments ranging from €10–€30 million per company, complemented by Business Acceleration Services.

The **Horizon Results Platform** was upgraded into the first phase of the **Innovation Platform** to include automated recommendations and enhanced business acceleration services to accelerate research-to-market transitions.

The **European Innovation Scoreboard 2025** (July 2025) showed EU innovation performance improved **12.6 percentage points** since 2018. The **Regional Innovation Valleys initiative** labelled 147 regions and launched interregional projects via European Innovation Ecosystems and WIDERA calls, totalling **€60 million** for circular economy, digital transition, and healthcare projects. Finally, the **Circular Bio-based Europe Joint Undertaking (CBE JU)** announced a 2025 call with **€172 million** for industrial demonstrations and scaling of bio-based technologies.

Specific Objective 1.3: Facilitating Green & Digital transitions, promoting innovative health solutions, and fostering clean, sustainable economic growth

The Commission adopted the **Strategy for European Life Sciences** in July 2025, proposing measures to reinforce Europe's life-science ecosystem, expanding the 'One Health' approach, and including an **Investment Plan for clinical research** and biomanufacturing, notably in support to the bioeconomy. The Commission adopted the **new EU Bioeconomy Strategy** in November 2025, setting a comprehensive framework to scale bio-based innovation, securing sustainable biomass supply, to develop lead markets for bio-based materials and to strengthen EU industrial competitiveness. In addition, DG RTD played a prominent role in the preparation of the **EU Biotech Act**, adopted in December 2025, providing constructive technical input, thereby helping to strengthen the EU biotechnology sector, notably in health, food and feed, and biosecurity.

On health and climate, DG RTD published the **Strategic Research and Innovation Agenda (SRIA) on Health and Climate Change**, identifying priority research needs and knowledge gaps to guide Horizon Europe programming and Member-State investments.

The **Cancer Mission** continued to deliver results by advancing actions on environmental exposure in young people, innovative treatments for cancer in children and adolescents, surgical clinical trials, and nutrition interventions for older cancer patients.

Progress also accelerated on chemicals, materials and industrial sustainability. The Commission launched a public consultation to revise the **Safe and Sustainable by Design (SSbD)** framework, a key step towards updating the Recommendation to reinforce EU chemical industry competitiveness by making the innovation process towards safer and more sustainable alternatives more efficient. In legacy sectors, the **Research Fund for Coal and Steel (RFCS)** received a dedicated **€175 million** envelope for 2025 to support research on near-zero-carbon steelmaking, cleaner technologies and just transition measures. In line with the Steel and Metals Action Plan, a reform of the RFCS was launched, and it is expected to be completed throughout 2026.

DG RTD also contributed to sectoral industrial transitions. Work progressed on the **EU Industrial Maritime Strategy** to enhance competitiveness and sustainability of Europe's maritime manufacturing base, which now includes a dedicated R&I chapter, as does the upcoming EU Ports Strategy, which are both foreseen for adoption on 4 March 2026. For aviation, DG RTD initiated a **public consultation on R&I for sustainable aviation**, feeding into wider Commission actions (the Sustainable Transport Investment Plan adopted in November 2025) to accelerate the uptake of low-carbon and sustainable aviation fuels. The **Automotive Action Plan**, adopted in March 2025, provided a coordinated set of actions to support the transition to zero-emission, connected and automated vehicles.

Under the **Strategic Energy Technology (SET) Plan**, DG RTD continued to strengthen governance and collaboration among Member States, industry and research organisations to accelerate clean-energy technology deployment, with the high-level Member States' representatives appointed to the SET Plan Steering Group.

DG RTD developed a **more strategic coordination of R&I funding for the circular economy**, following an in-depth analysis of Horizon Europe projects to identify gaps, streamline future funding, and support the forthcoming Circular Economy Act.

The Commission launched a **Call for Evidence for the EU's first-ever Fusion Strategy**, aiming to position Europe as a global leader in fusion energy by accelerating research, strengthening public–private partnerships and defining a pathway toward pilot fusion power plants. The strategy, which DG RTD co-leads and which is now expected by 2026, will build on Europe's longstanding leadership through ITER and responds to intensified global competition. Moreover, work on the Communication on Small Modular Reactors, co-led by DG RTD, has progressed, and the Communication is planned for adoption on 10 March. Furthermore, in relation to the nuclear research file, in 2025, the Council adopted the Regulation for the extension of the Euratom Research and Training Programme for 2026-2027, and the Commission published its proposal for the Regulation for the Euratom Programme for 2028-2032 which was published as part of the second MFF package.

Specific Objective 1.4: Developing an enabling research ecosystem built on the European Research Area (ERA) and empowering scientific talents

In 2025, DG RTD continued to strengthen and modernise the European research ecosystem, building on the **European Research Area (ERA)** framework. The Directorate-General advanced a coherent set of measures aimed at empowering scientific talents, improving access to high-quality research infrastructures and accelerating the operationalisation of Open Science across the Union. These actions contributed directly to the Commission's broader objectives of enhancing scientific excellence, competitiveness and strategic autonomy.

The strategic direction for the next phase of ERA implementation was firmly established through the adoption of the **ERA Policy Agenda 2025–2027.** Adopted by the Council in July 2025, the new Agenda sets out 19

measures (11 structural policies and 8 ERA actions) that guide joint efforts between the Commission and Member States. The agenda focuses on policies like open science, research careers, knowledge circulation, the development of research infrastructures, and reforms to research assessment and valorisation.

DG RTD also advanced its work to attract and retain scientific talent through the **Choose Europe for Science initiative**. The Commission announced a €500 million investment package for 2025–2027 designed to address persistent challenges in research careers, including precarity and mobility barriers, and to enhance Europe's global attractiveness as a research destination. At the COMPET Council of 23 May 2025, the Commission launched further measures, including a €240 million ERA Chairs call to bring up to 120 top researchers into regions that need them most. In October 2025, a pilot call under Choose Europe for Science was published with an indicative €22.5 million budget, requiring host institutions to provide more stable and attractive employment conditions beyond the EU-funded phase. Beyond the action taken at the European level, the Commission has also showcased the wealth of initiatives at national and regional levels, accessible to researchers from around the world and has published a comprehensive overview of these initiatives on EURAXESS. These measures mark concrete progress in reinforcing career sustainability.

A new **European Strategy on Research and Technology Infrastructures** was adopted on 15 September. Recognising research and technology infrastructures as key enablers of scientific excellence and industrial innovation, the Strategy outlines a long-term vision to strengthen capacities and investments, expand access to state-of-the-art facilities, support sustainability, strengthen digital capabilities, and ensure alignment with evolving scientific and industrial needs, including those associated with AI and the green and digital transitions. The Strategy was informed by key stakeholders from infrastructure communities and a call for evidence launched earlier in the year, ensuring that priorities reflect stakeholder needs. Collaboration with **ESFRI (the European Strategy Forum on Research Infrastructures)** continued notably on the preparations for the next ESFRI Roadmap foreseen for 2026.

Significant progress was also made in advancing **Open Science** through the first operational version of the **European Open Science Cloud (EOSC) Federation**. Thirteen EOSC Nodes—including major research organisations, national data platforms, ESFRI landmarks and ERICs—formally committed to providing shared services and access to FAIR research data across Europe. This represents a major milestone in the deployment of EOSC, improving the availability of high-quality, interoperable data and digital services for researchers and facilitating cross-border, interdisciplinary, and data-intensive scientific collaboration. To operationalise **Open Research Europe (ORE)** as a collectively funded not-for-profit publishing service, significant progress was made in 2025 by the Commission in collaboration with national research funders to enable the operation by CERN of a collective version of ORE as of autumn 2026.

General Objective 2 A new era for European defence and security

Specific Objective 2.1: Enhancing research and innovation capabilities for strategic and dual-use technologies

In 2025 DG RTD engaged in deepening the understanding of dual-use research and development and its implications for R&I stakeholders with the aim of contributing to the debate and informed decision-making for the next Framework Programme. **Two independent expert reports** on dual-use R&I were published on 25 June 2025, elaborating on the economic and societal impact of research and innovation and providing concrete examples and case studies on how dual-use R&I can work in practice.

Driven by the evolving geopolitical situation, the Commission put forward a few strategic initiatives to develop the EU's defence readiness and capabilities. In line with President von der Leyen's message in this respect, DG

RTD contributed to the **White Paper for European Defence Readiness**, **the European Defence Industry Transformation Roadmap**, and the **Military Mobility Package**, underscoring the role of dual use technologies and the whole European research and innovation ecosystem in strengthening Europe's defence capabilities.

The importance of dual use R&I has been acknowledged in the "defence mini-omnibus" Regulation which amends the **Horizon Europe** Regulation to allow for the **EIC Accelerator** to support companies developing dual-use innovation, as well as the EIC STEP Scale-Up Call to support defence applications. For the future Horizon Europe programme, the Commission proposed that it may support **dual use actions**.

In parallel, and as part of the **EU-NATO Structured Dialogue on Emerging and Disruptive Technologies**, DG RTD launched a dedicated sub-dialogue with NATO aimed at fostering closer cooperation and facilitating the exchange of knowledge on areas of common interest in the field of R&I.

DG RTD substantially contributed to the EU Preparedness Union Strategy, which was formally adopted by the Commission on 26 March 2025. This strategy highlights that the EU research and innovation sector has an essential contribution to make, allowing continuously adapted, optimised and state-of-the-art responses to crisis.

General Objective 4: Sustaining our quality of life: Food security, water and nature

Specific objective 4.1: Supporting a competitive and resilient agriculture, food system and protecting water and nature

EU Green EU Missions continued supporting the Commission's wider ambition to build a **sustainable, climate-resilient Europe** that maintains global leadership in green and nature-based innovation.

The **Mission 'Restore Our Ocean and Waters'** expanded implementation through new lighthouse activities and services for communities adhering to the Mission Charter, supporting the **blue transition** and strengthening the protection and restoration of marine and freshwater ecosystems in all sea basins. The **over 1,000 Mission Charter actions** include 135 from companies, trade and business associations, 214 from national, regional and local authorities, 264 universities and research centres, and 28 international and EU organisations. By end-2025, 80 projects – worth €400 million – are developing innovative solutions in 223 local demonstration sites.

The **Mission 'Adaptation to Climate Change'** scaled up support to regional and local authorities, providing **up-to-date knowledge for climate resilience** and accelerating on-the-ground adaptation measures; these mission outputs will become a central element of the **European Integrated Framework for Climate Resilience.** With over 300 regional and local authorities involved, the Mission is supporting communities to turn adaptation plans into concrete action—from restoring floodplains and cooling urban heat islands to launching early-warning systems and community-based solutions. Up to autumn 2025, it has awarded €517 million to 61 projects, meaning that 233 regional and local authorities are actively testing and implementing innovative resilience measures, and co-creating solutions tailored to the local context.

The **Mission 'A Soil Deal for Europe'** entered its accelerated implementation phase in 2025, with a significant **expansion of living labs and lighthouses** (20 additional ones in 2025, the total of living labs and lighthouses is now 65), **enhanced** monitoring tools, and new community-driven approaches to restoring soil health by 2030.

As regards the **Mission on Climate-Neutral and Smart Cities**, the **2025 review of Climate-City Contracts** revealed major untapped potential for **deploying cleantech innovation at scale**, strengthening EU competitiveness. The **Climate-Neutral and Smart Cities** Mission surpassed the milestone of more than 100 mission cities receiving the EU Mission label for their **Climate City Contracts (CCC)**, an achievement highlighted by President von der Leyen in her speech to the Covenant of Mayors during the 2025 European Week of Regions and Cities. Launched on 3 December 2025, the EU Agenda for Cities positioned the Climate-Neutral and Smart Cities Mission as one of the initiatives to be scaled up under the next MFF. The Cities Mission was also singled out under **the Affordable Housing Plan**, as solution provider for sustainable built environments, and in the Communication on the future of the New European Bauhaus, as a framework to empower citizens for home renovation.

Throughout 2025, DG RTD supported the green transition by providing science-based evidence to guide the implementation of major EU policies. Key contributions included research underpinning the **European Nature Restoration Law**, the **EU Climate Resilience and Risk Management Initiative**, the **Climate Law**, the **Water Resilience Strategy** and sustainable finance tools such as the **EU Taxonomy**.

The network of **'Green' and 'Blue' European Partnerships** played an essential role in accelerating Europe's green transition. Preparations advanced for the 2025 calls of the **Biodiversa+ Partnership**, **Sustainable Blue Economy Partnership**, and **Water4All Partnership**, while the **first call of the Agriculture for Data Partnership** and the **2nd call of the FutureFoodS partnership** entered finalisation. These Partnerships help to align Member States' efforts, strengthen global scientific cooperation, and ensure faster deployment of innovative solutions in the European Research Area.

DG RTD directly contributed to shaping the **European Ocean Pact** and the **European Water Resilience Strategy** from an R&I perspective, leveraging Horizon Europe results to develop balanced and science-based resource-protection policies. These two communications included actions to co-develop in 2026 an **Ocean R&I Strategy** and the **Ocean Observation Initiative** with DG MARE and a **Water Resilience R&I strategy** with DG ENV. With **climate resilience mainstreamed across Horizon Europe**, research outputs in 2025 continued to support the implementation of the EU Strategy on Adaptation to Climate Change and the Climate Law, delivering essential insights to guide policymaking and investment.

General Objective 6: *A global Europe: Leveraging our power and partnerships*

Specific Objective 6.1: Contributing to the new economic foreign policy

DG RTD ensured the EU's effective chairmanship of the **All-Atlantic Ocean Research and Innovation Alliance (AAORIA)**, which included a successful AAORIA Forum in September 2025, during which the All-Atlantic Network of Coastal Resilience Beacon Sites and the Blue Intergenerational Programme were launched. From May, DG RTD assumed lead co-Chairperson of the Group on Earth Observations (GEO) fostering international cooperation and the global uptake of Earth Intelligence developed with Horizon Europe.

Cooperation in polar research was enhanced through the **European Polar Coordination Office (EPCO)**, supporting implementation of the EU Arctic Policy. In the Mediterranean, the **PRIMA Partnership** launched its 2025 calls and an **Interim Evaluation** to inform decisions on its future orientation.

In line with the EU's economic security priorities, DG RTD completed the **Risk Assessment on Biotechnologies** in **Q3 2025**, identifying key vulnerabilities in this strategic sector. DG RTD also ensured that R&I aspects were taken into account in the Commission's **Foreign Direct Investment Screening** of cases and related opinions issued.

DG RTD substantially broadened Horizon Europe's international reach by finalising association agreements with the Republic of Korea (Pillar II), Switzerland (full association), Egypt (full association), supported by transitional arrangements enabling immediate access to 2025 calls. Negotiations with Japan were successfully concluded, allowing for the signature of the agreement in 2026. A total of 13 Joint Committee meetings were held under existing association agreements to ensure smooth implementation

Preparatory work was undertaken to prepare a **proposal for a Council Recommendation on Science Diplomacy**, which should establish a coordinated European framework aligned with the EU's geopolitical priorities. The adoption is foreseen in 2026 Q1, the same as the publication of **the 1st Research Security Monitor and the 2nd Global Approach Implementation Report**.

Support to accession and neighbourhood countries continued, including **bilateral screening meetings** with **Ukraine** and **Moldova** under Chapter 25 of the acquis and, on the top of the funding for Horizon Europe Office in Ukraine, the funding for the **Horizon Europe Office in Moldova**, strengthening their participation in Horizon Europe and the consolidation of the R&I system development. Support to the regional dialogue continued through Western Balkans Ministerial Meeting on R&I took place on 20-21 October in Podgorica, Montenegro, under the co-chairmanship of Commissioner Zaharieva.

General Objective 8: *Providing high performing support to deliver on the Commission's political priorities including the implementation of EU R&I programmes*

Specific Objective 8.1: Providing high performing support to deliver on the Commission's political priorities including the implementation of EU R&I programmes

In 2025, the Common Implementation Centre (CIC) and the Common Policy Centre (CPC) ensured effective, compliant and streamlined implementation of Horizon Europe and Euratom, while contributing to the preparation of research and innovation priorities under the post 2027 Multiannual Financial Framework. DG RTD led the interservice drafting team (with DG GROW, under supervision of SG and DG BUDG) of the Impact Assessment for the future Horizon Europe (2028-2034) and a new European Competitiveness Fund.

DG RTD advanced the Commission's simplification agenda through a large-scale survey of 30 000 EU funding beneficiaries to inform the stress testing of EU rules. In line with the Commissioner's mission letter, DG RTD prepared and validated a multi-annual stress testing plan, which was shared with the Secretariat-General.

Two Implementation Dialogues were organised: Implementation Dialogue on Startups and Scaleups, 25 April 2025, and Implementation Dialogue on Making Horizon Europe Work Smarter, 16 September 2025. The first, held in April, focused on **Startups and Scaleups** and identified key implementation challenges related to access to finance, regulatory fragmentation and talent attraction. The outcomes fed into the EU Startup and Scaleup Strategy adopted in May 2025 and informed the design of the next Framework Programme, including the proposed reinforcement of the European Innovation Council.

The second Implementation Dialogue, held on 16 September during the R&I Days, focused on **"Making Horizon Europe smarter and simpler"**. It gathered around 140 on-site participants and over 1 000 online participants

from across the European R&I community. A follow-up Reality Check further examined operational aspects of proposal submission, evaluation and grant management. The input collected informed concrete simplification measures in the 2026–2027 Work Programme.

As a result, the 2026–2027 **Work Programme is 33% shorter** than the previous edition, with fewer and more focused topics. It allocates **50% of the call budget through lump-sum funding**, expands the use of two-stage evaluations, reduces time-to-grant where applicable, and introduces streamlined proposal templates with simplified impact criteria and reduced page limits. By eliminating granular financial reporting, lump sum funding directly reduces beneficiaries' administrative burden and project management costs.

In addition, DG RTD organised a **Reality Check on the implementation of the non-financial obligation on Social Sciences and Humanities (SSH)** integration in Horizon Europe. The event gathered key stakeholders to identify success factors, obstacles and simplification potential. The findings are informing improvements in the final years of Horizon Europe and preparations for FP10.

Progress on simplification, implementation support and enforcement for the period 1 January – 31 July 2025 was reported in the newly introduced the **Annual Progress Report on Simplification, Implementation and Enforcement**, submitted to the Council and the European Parliament and presented to the Competitiveness Council (Research) and the ITRE Committee.

In September 2025, the CIC launched the first EU mobile application for direct funding, ***EU Funding & me*****,** synchronised with the Funding & Tenders Portal, improving accessibility and user experience.

A comprehensive data governance framework for eGrants tools was established for the first time, clarifying data ownership, roles and responsibilities, strengthening accountability and improving reporting reliability. Additional work on mapping shadow data was launched within RTD to further reinforce internal control and data quality.

The **interim evaluation of Horizon Europe** published in April 2025 informed both ongoing implementation and the design of the successor programme. DG RTD led the interservice impact assessment for post 2027 research and innovation investments, supported by extensive evidence, economic modelling and public consultations and coordinated the preparation of the 2025 (€7.3 billion) and 2026–2027 (€14 billion) Horizon Europe work programmes, aligning investments with EU priorities such as decarbonisation and artificial intelligence, while further expanding simplified procedures.

In addition, DG RTD also performed its role as **a centre of expertise on Better Regulation especially on innovation-friendly policies and regulatory sandboxes**. Promoting quality and coherence of the various regulatory sandbox initiatives, DG RTD contributed to the Proposal for a regulation to simplify rules on medical and in vitro diagnostic devices, the Biotech Act I proposal (both adopted in December) and the Digital Omnibus (November). In 2025, DG RTD advanced its simplification commitments by scaling lump-sum funding uptake towards the 40% target for Horizon Europe calls (minimum 35% in Pillar 2), reducing beneficiaries' financial reporting obligations and lowering estimated project administrative costs by 21–35%. DG RTD simultaneously promoted the personnel unit cost option through targeted stakeholder engagement, enabling simplified personnel cost reporting via single daily rates across Horizon Europe and Euratom actions.

EU added value:

In 2025, Horizon Europe demonstrated its European added value by strengthening Europe's competitiveness while accelerating the transition towards a sustainable and clean economy. The European Semester confirmed this strategic role, with 26 out of 27 Member States receiving country-specific recommendations highlighting research and innovation investments and reforms as key drivers of productivity, resilience and sustainable

growth. Evidence also shows that the Recovery and Resilience Facility helped trigger or accelerate structural reforms that national systems would not have delivered independently, illustrating the leverage and scale of coordinated EU action.

At the same time, the European Innovation Council invested in breakthrough companies developing critical technologies for Europe's economic security and green transition, notably in artificial intelligence, quantum technologies and health biotechnologies, as well as clean and resource efficient solutions. Through EU Missions such as Adaptation to Climate Change and Restore our Ocean and Waters, hundreds of regional and local authorities mobilised around shared objectives, supporting decarbonisation, climate resilience and the protection of natural resources.

Reliability of performance information

DG RTD's performance monitoring framework is primarily based on the Key Impact Pathways (KPIs) established for Horizon Europe and EURATOM. The related indicators are clearly defined and appropriately documented. Performance data are mainly generated through implementation in the corporate eGrants systems, which incorporate embedded IT controls and systematic operational validation. Furthermore, the methodology underpinning the collection and reporting of performance data has been subject to external scrutiny, which did not identify significant weakness. DG RTD therefore considers that the performance information presented provides a reasonable assurance of the implementation of the programmes.

Challenges

Despite a high overall delivery rate of political outputs (84% fully or partially delivered; zero cancelled) and full budget execution (99,99%), 11 outputs (16%) have been rescheduled to 2026 stem due to procedural constraints, administrative bottlenecks, or the political validation. They do not undermine the DG's strategic trajectory:

- **Gender Equality Package**: The postponement of the Action Plan and Council Recommendation, alongside the suspension of the Competence Facility tender (due to legal review following tenderer complaints), creates a reputational risk vis-à-vis the European Parliament. However, the operational impact is mitigated, as structural work continues seamlessly via WIDERA, the ERA Policy Agenda, and Horizon Europe eligibility frameworks.
- **PRIMA & the ERA Act:** The delay of the PRIMA evaluation to Q1 2026 is strictly administrative. The ERA Act and related legislative initiatives are technically mature but were deliberately rescheduled to align with the new College's legislative planning.
- **Science Diplomacy:** The Recommendation awaits final political validation, but this has not hindered our operational deployment (e.g., the successful delivery of the Research Security Monitor).

2. INTERNAL CONTROL AND FINANCIAL MANAGEMENT

Management monitors the functioning of the internal control systems on a continuous basis and carries out an objective assessment of their efficiency and effectiveness. In annex 7, there is a list and details of the reports that have been considered. The results of the above assessment are explicitly documented and reported to the Director-General.

DG RESEARCH AND INNOVATION AND THE RESEARCH AND INNOVATION FAMILY

The control framework presented in this report should be seen in the overall context of the responsibilities of DG RTD in implementing Horizon Europe (HE), Horizon 2020 (H2020), and Euratom.

Management modes for the programmes' implementation

The responsibility for implementing the EU Framework Programmes for Research and Innovation is shared among different Directorates-General in the Commission. In order to focus on core institutional policy tasks, these Directorates-General have delegated substantial parts (for DG RTD, the major part) of the programme implementation to Executive Agencies, Joint Undertakings (also called Article 187 bodies) and Public-Public Partnerships with the Member States (also called Article 185 bodies). The multitude of actors involved in the implementation of the EU Framework Programmes for Research and Innovation is referred to as the '**Research and Innovation Family**' **(RTD Family)**.

DG RTD coordinates the Research and Innovation Family

DG Research and Innovation, as the lead DG of the RTD Family, invests considerable resources in coordinating the management of Horizon 2020 and Horizon Europe by the members of the family, well beyond its own budget appropriations. In addition to its coordination activities within the family, the DG, as parent DG of the RTD Executive Agencies, monitors and supervises their activities. DG RTD is the lead parent DG of REA, ERCEA and EISMEA.

The key role of the Common Implementation Centre in simplifying, harmonising and supporting the underlying Horizon 2020 and Horizon Europe business processes is presented in Annex 7.

2.1. Control results

Management uses control results to support its assurance and reach a conclusion about the cost-effectiveness of those controls, meaning whether the right balance between the following elements is achieved:

- Effectiveness The level of error found, based on the controls carried out.
- Efficiency The average time taken to inform or pay.
- Economy The proportionality between the costs of controls and the funds managed.

2.1.1. Overview of the budget and relevant control systems (RCS)

DG Research and Innovation's assurance building, and materiality criteria are outlined in annual activity report annex 5. The annual activity report annex 6 outlines by relevant control system the main risks together with the control processes to mitigate them and the indicators used to measure the performance of the relevant control systems.

Direct management concerns grants given to beneficiaries through the implementation of the EU Framework Programmes (Horizon 2020, Horizon Europe and Euratom) as well as subsidies paid to Executive Agencies.

Indirect management concerns subsidies to grant-implementing entrusted entities: Joint Undertakings (Article 187 bodies), Public-Public Partnerships (Article 185 bodies) as well as financial instruments provided by the European Investment Bank and the European Investment Fund.

In 2025, indirect management accounted for 76% of payments and direct management for the remaining 34%. As in 2024, DG Research and Innovation's main budget management mode for the year was indirect management.

Both direct and indirect grant management ([3]), together with the EIC Fund financial instrument, accounted for 94 % of the DG RTD's payments in 2025. Control results for these payments are presented in this report. No payments took place for InnovFin in 2025 but the control result of the supervision of InnovFin is also presented as it includes controls related to InnovFin non expenditure items (see section d).

The other expenditures relate mainly to public procurement (3 %).

Table 1: Overview of the budget implemented in 2025 by DG Research and Innovation broken down by the different control systems under which the payments were authorised ([4])

Control system	Management mode	Payments 2025		Cumulative
		(M€)	%	%
Contributions to grant implementing entrusted entities: Joint Undertakings (article 187 bodies) and Public-Public Partnership (article 185 bodies) (RCS B)	Indirect	1.008	45,23%	45,23%
Financial Instruments (EIC FUND) (RCS C)	Indirect	693	31,11%	76,33%
Executive Agencies (RCS B)	Direct	248	11,14%	87,48%
Grants (RCS A) ([5])	Direct	149	6,69%	94,16%
Procurements	Direct	68	3,05%	97,21%
Other	Direct	60	2,71%	99,92%

([3]) Including payments to Executive Agencies (EUR 248 million)

([4]) For the cross-subdelegation granted to JRC by DG RTD in 2025, JRC committed EUR 3 999 970.70 and no payments took place in 2025. The reports on this cross sub-delegation received from JRC did not provide indication of any particular unfavourable observation with regard to the regularity and legality.

([5]) The data on prefinancing paid in 2025 to Executive agencies, are higher of EUR - 689.573,00 compared Executive agencies data. The amounts confirmed by EISMEA and REA are respectively 49 823 502 EUR and 72 430 518,77 instead of respectively in SUMMA (and table X in annex 9) EUR 50.073.502 and EUR 72.870.091,77. This is due to recoveries wrongly encoded as recoveries of expenses instead of recoveries of prefinancing. A correction GB booking was done but this is not visible on SUMMA reports. There is no impact on the estimation of the amount at risk.

Experts	Direct	2	0,08%	100,00%
Grand Total (M€)		**2.229**	**100%**	

2025 revenues amount to EUR 3 483 million , accounting for 98% of contributions from both accessing countries and third countries accessing the program to HE (Horizon Europe assigned revenues).

Assets (EUR 5.177,74 million), liabilities (EUR 166,47 million) and off-balance sheet (EUR 2.027,01 million) regarding Financial Instruments (InnovFin/RSFF and EIC Fund) ([6]) are detailed in section d) "Assessment of control results for non-expenditure items".

The CIC is the business owner for corporate systems such as eGrants, EU Funding & Tenders portal and the EU Funding & Me mobile app,

RTD family direct and indirect grant management for H2020 and HORIZON

The RTD Family operates on a common audit strategy intended to contribute to the legality and regularity of expenditure on a multi-annual basis, including detection and correction of non-systemic and systemic errors.

For Horizon 2020 (H2020) and Horizon Europe (HE), the Common Audit Service (CAS) of the Common Implementation Centre (CIC) carries out all the financial audits ([7]), including those concerning grants managed by the Executive Agencies, the Joint Undertakings and EUSPA. The **main indicators** on legality and regularity of EU Framework Programmes for Research and Innovation are the **cumulative representative detected error rate**, and the **cumulative residual error rate ([8])**.

The **targets as** set out in annex 5 materiality criteria are respectively**:**

- For Horizon 2020, to ensure that the cumulative detected error rate remains within a range of 2-5%, aiming to be as close as possible to 2%.
- For Horizon Europe, to ensure that cumulative detected and residual error rates do not exceed 2%.

Annex 7 presents the audit coverage for H2020 and HE and the implementation of the audit target for 2025.

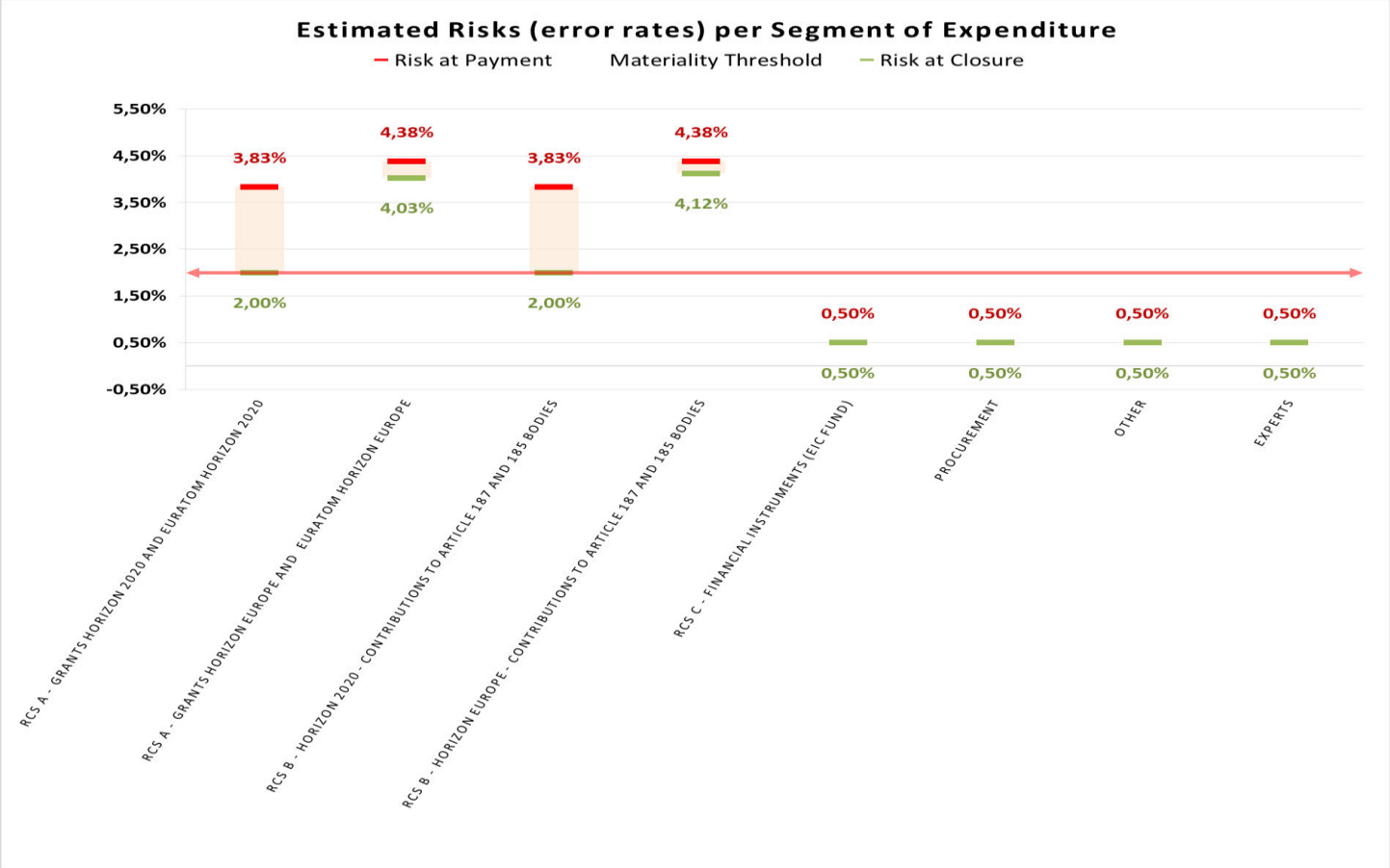
2.1.2. Effectiveness of controls

a) Assessment of control results per segment of expenditure

([6]) In 2024 these non-expenditure items were: Assets (EUR 4.638,11 million), liabilities (EUR -219,42 million) and off-balance sheet (EUR -2.145,32 million) regarding Financial Instruments

([7]) Except audits for article 185 bodies.

([8]) DG Research and Innovation's assurance building, indicators and materiality criteria are outlined in annual activity report annex 5.



Control results for DG RTD research family and DG RTD grant management.

Horizon 2020 Framework Programme

The error rates based on the audit work for Horizon 2020 Framework Programme for Research and Innovation on 31 December 2025 are:

- **Cumulative representative detected error rate** for the Framework Programme: **3.83%** ([9])
- **Cumulative residual error rate** for the Framework Programme: **1.78%** (2.00% for DG Research and Innovation ([10]).

In 2025 the cumulative residual error rate for Horizon 2020 for the grants managed directly by DG Research and Innovation is calculated at 2.00%, which is at the materiality threshold level.

The relatively stable level of error in Horizon 2020 grants is linked to the applicable funding model, which is based on the reimbursement of eligible actual costs. Most of the errors continue to relate to incorrect claims for personnel costs that are mainly due to beneficiaries' lack of thorough understanding of the inherently complex rules. For comparison, in 2024 the cumulative representative detected error rate for the Framework Programme was calculated at 3.55% and the respective cumulative residual error rate at 1.79% (1.99% for DG Research and Innovation).

([9]) Based on the 930 representative results out of the 948 expected in the six Common Representative Samples.

([10]) It should be noted that in 2021 most of Horizon 2020 grants managed by DG Research and Innovation were delegated to Executive Agencies. Hence, this figure is based only on the actions that remained with the DG.

Since R&I Framework Programmes are multi-annual, the error rates, and the residual error rate in particular, should be considered within a time perspective. Specifically, the implementation of the audit results over time has proven to be effective in 'cleaning' the budget of any ineligible amounts declared by and paid to beneficiaries. This 'cleaning effect' becomes even more relevant given the extension of audit findings to non-audited grants of the same beneficiary.

These error rates are calculated on the basis of the audit results available when drafting the Annual Activity Report. The yearly fluctuation of the detected error rate in H2020 exhibits no identifiable correlation with the maturity of the programme.

There is evidence that the simplifications introduced under Horizon 2020, along with the ever-increasing experience, helped in reducing the number of errors made by the beneficiaries, especially when compared to the Seventh Framework Programme where the error rate was higher and varied from close to 5% to around 5.5% over time. Notwithstanding these efforts, beneficiaries still make errors. Simplification measures for actual costs under H2020 have however reached their limits. Actions carried out to address these weaknesses are reported in annex 7.

Horizon Europe Framework Programme

2025 was the fifth year of implementation of the Horizon Europe Framework Programme. Horizon Europe extends the use of simplified cost options and lump sum funding, the latter having an adapted approach to ex-post control.

The error rates based on the results of ex-post controls for the Horizon Europe Framework Programme for Research and Innovation on 31 December 2025 are:

- **Cumulative representative detected error rate** for the Framework Programme: **4.38%** ([11])
- **Cumulative residual error rate** for the Framework Programme: **4.05%** (4.03% for DG Research and Innovation).

These error rates are calculated based on the ex-post financial audits and ex post technical reviews results available when drafting the Annual Activity Report([12]). Due to the still relatively small number of completed audits and technical reviews, the error rate calculation is highly sensitive to extreme results.

The preliminary results suggest, as expected, that lump sums result in fewer errors. Since only relatively few lump sum projects have been subject to an ex-post technical review so far, these results are not statistically significant yet and will need to be corroborated by further reviews as part of the multi-annual ex post control strategy.

At this stage, the overall error rate for Horizon Europe remains nearly entirely determined by the estimated error rate on cost-reimbursement grants. With the share of lump sum grants and payments gradually increasing, the lower error rate on lump sum grants is expected to lead to a lower overall error rate in the future.

As with H2020, most of the errors continue to relate to incorrect claims for actual personnel costs that are mainly due to beneficiaries' wrongful application of the Horizon Europe rules, despite the introduced simplifications. Newcomers and Small and Medium Enterprises (SMEs) remain those more prone to errors in comparison to the more experienced/large size beneficiaries.

As with H2020, the Horizon Europe error rates—and in particular the residual one—should be considered within a time perspective. The implementation of the audit results and extension of audit findings over time will tend

([11]) Based on the 89 representative audits and 29 representative technical reviews closed in 2025 out of the 177 audits and 30 technical reviews in the first Common Representative Sample.

([12]) 2025 is the first year for which an error rate is calculated for Horizon Europe

to lower the cumulative residual error rate, thereby increasing its difference with the representative detected error rate.

Although there is an action plan to address some causes of errors[13], a reservation is issued in the Annual Activity Report as the cumulative residual error rate is, at the end of 2025, above the 2% materiality threshold.

The reserve in the declaration of assurance for the Horizon Europe and Euratom expenditure is addressed in annex 9.

Euratom Framework Programmes

The Euratom Programme (2014-2018) Regulation ([7]) and the Euratom (2019-2020) Regulation ([8]) complements the Horizon 2020 Regulation. The Euratom Audit Strategy is articulated as a complement to the one of Horizon 2020. For the Euratom Programme (2014-2018), the 2025 cumulative detected error rate is 1.50%. However, in the AAR 2025, only the Horizon 2020 error rate has been presented and used for the estimation of the amount at risk, as the Euratom error rate is not statistically representative.

The Euratom Programme (2021-2025) follows the same rules for participation and grant management as Horizon Europe ([9]). Consequently, its error rate estimation is aligned with that of Horizon Europe. The Euratom Programme's (2021-2025) Audit Strategy was recently launched, which is based on the lessons learnt from the Audit Strategy of the Euratom Programme (2014-2018). A multi-annual cumulative detected error rate cannot be provided at this time. In the AAR 2025, the Horizon Europe error rate has been presented and used for the estimation of the respective amount at risk.

Control results for Executive Agencies, Joint Undertakings, Public-Public Partnerships

Control results for Executive Agencies

In 2025, DG Research and Innovation was the lead parent DG of the Research Executive Agency (REA), the European Research Council Executive Agency (ERCEA) and the European Innovation Council and SME Executive Agency (EISMEA). DG Research and Innovation is also a parent DG of the European Health and Digital Executive Agency (HaDEA) and of the European Climate, Infrastructure and Environment Executive Agency (CINEA), as these two agencies implement parts of Horizon 2020 and Horizon Europe.

In 2025, DG Research and Innovation paid EUR 248.32 million to the REA, ERCEA and EISMEA to cover their administrative expenses. DG Research and Innovation effectively supervised the three Executive Agencies for which it is lead parent DG.

DG RTD communicated to the five Executive Agencies implementing Horizon Europe the reservation on the estimated residual error rate for grants under Horizon Europe ([14]), introduced in this report. REA, EISMEA, HaDEA, ERCEA, and CINEA included the reservation in their reports, adapted to reflect their respective payment amounts ([15]).

Furthermore, EISMEA together with DG RTD issued a reservation resulting from the "Critical" recommendation of the IAS in its final audit report on "Horizon Europe - EIC grant agreements preparation and award procedures in EISMEA and DG RTD". The weaknesses discovered in the audit bring to light potential reputational and/or financial risks, even though the latter has not been observed.

([13]) See annex 7
([14]) The reservation is presented in Annex 9
([15]) The calculations were based on the common representative sample and, therefore, covers the payments of all Executive Agencies.

Additionally, REA maintained in its 2025 AAR a reputational reservation related to the grants part of the Promotion of Agricultural Products (AGRIP). The reservation was first introduced in the Agency's 2023 AAR and has since been maintained. However, the issue identified is specific to this DG AGRI grants scheme and does not affect the DG RTD's annual declaration of assurance.

Finally, HaDEA introduced a reservation regarding the rate of residual error in grant payments in the Digital Europe Programme (programming period 2021-2027), directly implemented by HaDEA. As in the case of REA, this reservation does not affect DG RTD's declaration of assurance.

For more details on the Supervision arrangements for Executive Agencies, please consult Annex 7.

Control results for Joint Undertakings (Article 187 bodies)

The Joint Undertakings Circular Bio-Based Europe (CBE), Clean Aviation (CA), Clean Hydrogen (CH), Global Health European & Developing Countries Clinical Trials Partnership (EDCTP3) ([16]) and Innovative Health Initiative (IHI) implement parts of the Horizon 2020 and Horizon Europe Framework Programmes, under the governance and oversight of DG RTD ([17]).

In 2025, these Joint Undertakings received from DG Research and Innovation a total of EUR 897.31 million of payments for operational and running costs.

The Joint Undertakings apply the same audit strategy as the Commission services.

DG RTD issued a reservation on the 2025 Horizon Europe contribution to Joint undertakings, based on the level of Research and Innovation residual error rate for Horizon Europe (the reservation is presented in annex 9), and communicated it to all Joint Undertakings implementing Horizon Europe. The Joint Undertakings' 2025 Annual Activity Reports are currently under preparation.

The Court of Auditors gave a positive opinion on the 2024 Accounts of all the Joint Undertakings under DG Research and Innovation's governance. All of them had a residual error rate below 2%.

Control results for Public-Public Partnerships (Article 185 bodies)

Article 185 of the Treaty enables the EU to participate in research programmes undertaken jointly by several Member States, including participation in structures created for the execution of national programmes. The bodies supported under Article 185 in 2025 are the following: Research for the benefit of SMEs (EUROSTARS2), European Partnership on Metrology ([18]), European and Developing Countries Clinical Trial Partnership (EDCTP2), and Partnership for Research and Innovation in the Mediterranean Area (PRIMA).

In 2025, DG Research and Innovation paid a total of EUR 110.56 million to Art.185 bodies for operational and running costs ([19]).

([16]) A new Joint Undertaking, the Global Health EDCTP3 (EDCTP3 JU) was established through Council Regulation 2021/2085 (SBA). DG RTD was responsible for the initial operations until it became autonomous on 23 November 2023.

([17]) Annex 13 of this report summarises the underlying legal and financial parameters of the Joint Undertakings' operations.

([18]) European Partnership on Metrology which is the Horizon Europe successor of European Metrology Programme for Innovation and Research (EMPIR) took over the activity of EMPIR end 2021.

([19]) Annex 13 details the respective legal bases and the amounts entrusted to each body.

Following the review of the submitted Annual Activity Reports 2024, DG Research and Innovation did not identify any issues warranting a mention.

DG RTD issued a reservation on the 2025 Horizon Europe contribution to Art. 185 bodies, based on the level of Research and Innovation residual error rate for Horizon Europe (the reservation is presented in annex 9).

The 2025 Annual Activity Reports of the partnerships have been received and are under review. Based on other elements of assurance, as presented in the monitoring arrangements (Annex 7), the AOSD concluded that there is no issue warranting a mention in this report.

Control results for Financial Instruments

InnovFin

The auditors reported their confirmation on no findings in any of the Innovfin monitoring/audit exercises and hence DG RTD has no audits to follow up upon from 2024. Moreover, the analysis of both reports, indicated that there is nothing to follow up or pursue in either report.

The 2025 annual reports have been timely received on 15 February 2026 and are under review for the three instruments (EIB Loans, EIF SME Guarantee (SMEG) and EIF InnovFin equity (IFE)).

Additionally, the following reports and statements were timely received on 15 March 2025:

- management declaration of assurance annexed to the financial statements in the form defined in the Financial and Administrative Framework Agreement,
- summary report on audits and controls carried out in the period in question, including an analysis of the nature and extent of errors and identified weaknesses in systems if any, and any corrective actions taken or planned,
- independent audit opinion on the management declaration and the summary report on audits and controls.

So far, there are no issues that would need to be addressed in DG RTD's annual activity report. DG RTD made no significant payments for Innovfin in 2025.

For the 2024 audited financial statements of all three instruments, confirmation has been received that no matter potentially damaging the financial interest of the Union has been identified.

The 2024 audited Financial Statements for Risk Sharing Finance Facility (RSFF) (legacy from FP7) have been timely received on 15 March 2025. Moreover, special reporting and an amendment to govern the nearing termination of the RSI/RSFF were exchanged and dedicated meetings on the closure of the RSI part of the facility resulted in a preliminary agreement on reporting after termination which was realised in December 2024. The RSFF was fully terminated in December 2025. One final set of audited Financial Statements for RSFF will be received in 2026.

Considering the values of the relevant indicators contributing to the objective of enhancing access to risk finance for investing in research and innovation (Industrial leadership), the performance of InnovFin during its active lifetime exceeded expectations. More specifically, based on the latest data provided by the entrusted entities, the total volume of investments mobilized via debt financing and venture capital investments since the launching of the programme reached EUR 55.1 billion against a target of EUR 15 billion at the design phase of the programme. The cumulative number of funded organisations reached 45 978 against a target of 5 000. Finally, the total amount of leveraged private funds reached over EUR 45 billion against a target of EUR 35 billion.

EIC Fund

As of 1 January 2024, the EIC Fund operates under indirect management

The unaudited unified financial accounts (UUF) for 2025 have been transmitted by the EIC Fund manager to the EIB, with DG RTD in copy, for traceability purposes. The EIB officially submitted to DG RTD the unaudited reporting package, including the UUF on the 10 February 2026, an early submission, ahead of the official deadline of 15 February set up in the contribution agreement, and an improvement with regards to the reporting of the fiscal year 2024, which suffered a delay of nearly one month. The preventive measures implemented by DG RTD in the reporting workflow have led to the evident mitigation of the risk of delay, together with an improvement over the agreed deadlines.

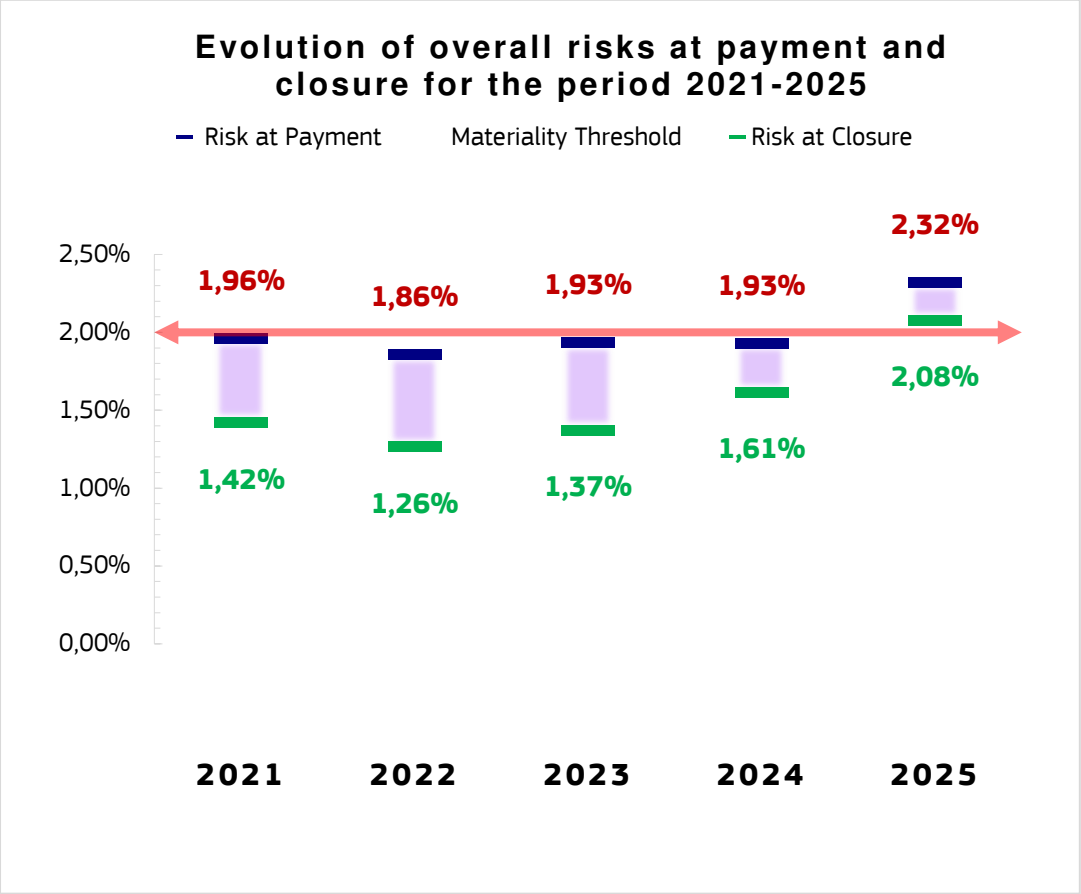
For the fiscal year 2025, all reporting obligations of the EIC Fund stipulated in the statutory and governing documents of the Fund, including the four quarterly bank statements for 2025, were received and assessed, except for the audited financial statements and the audit opinion (expected by 15 April 2026). The review of the unaudited draft documents received by DG BUDG and DG RTD, identified a few minor drafting issues, which have been communicated to the EIB for transmission to the EIC Fund who, in turn, will correct them before auditing the documents and their submission in mid-April 2026.

Additionally, the analysis of the 2025 unaudited financial statements indicated that the administrative expenses and fees are aligned with the activities and outputs of the EIC Fund, and that the Advisory fees did not exceed the predetermined maximum ceiling, as defined in the EIC Work Programmes and the relevant EIC Fund founding agreements.

According to the information provided, no weaknesses in the Commission's supervision of the EIC Fund or in the management of the entrusted budget were observed, other than matters brought to the attention of the EU Commission by the EIC Fund in accordance with the Penta-Partite Memorandum (PPM). Consequently, there is no issue affecting DG RTD's annual declaration of assurance.

For the fiscal year 2026, the official deadline for submitting the unaudited accounts has not yet been reached, nor have the accounts been submitted to the European Commission. Nevertheless, DG RTD monitors the provision of the quarterly account statements and Net Asset Value ('NAV') packages (Q1 2026 will be due in April 2026), as well as the semi-annual reports due by 15 August 2026. The live analysis of the invoices received until 25 February 2026, shows that the ceiling of administrative expenses and the fees themselves are aligned with the activities and outputs of the EIC Fund, and that the Advisory fees have not exceeded the predetermined maximum ceiling, and thus raise no potential concern.

b) Estimation of the overall risk at payment and risk at closure



The estimated overall risk at payment for 2025 expenditure is the AOD's best conservative estimate of the amount of relevant expenditure during the year that is not in conformity with the contractual and regulatory provisions applicable at the time the payment was made. A proportion of the underlying errors will be corrected in subsequent years and until the end of the programming cycle, corresponding to the conservatively estimated future corrections for 2025 expenditure. The difference between the risk at payment and the estimated future corrections results in the estimated overall risk at closure ([20]).

There is an increase of the overall risk at closure in 2025 compared to previous years. This is mainly due to the high Horizon Europe detected and residual error rates for grants calculated for the first time in year 2025 (respectively 4.38% and 4.03%) compared to the estimation of these error rates in 2024 (2%).

For an overview at Commission level, the departments' estimated overall risk at payment, estimated future corrections and risk at closure are consolidated in the AMPR.

c) Quantitative benefits of controls: Preventive and corrective measures

DG RTD continued to perform ex-ante controls and ex-post controls as an effective mechanism for detecting and correcting errors.

In 2025, due to the transition to SUMMA, only preventive measures exceeding EUR 500,000 are reported. All corrections made by DG RTD fall below this threshold and therefore are outside the reporting scope.

Ex post controls resulted in corrective measures of EUR 0.7 million

([20]) This is the AOD's best, conservative estimation of the expenditure authorised during the year that would remain not in conformity of applicable regulatory and contractual provisions by the end of implementation of the programme.

Please see details in annex 3.

Compared to 2024, with EUR 3.48 million, there is a decrease that is mostly explained by the decrease of payments on grants in 2025. In addition, in 2024 there was an important recovery on Euratom.

d) Assessment of control results for non-expenditure items

DG Research and Innovation's main assets, liabilities and off-balance sheets ([21]) relate to items managed and controlled in the context of financial instruments (InnovFin/RSFF and EIC FUND) ([22]), as detailed in the table below:

	Amount in EUR million
Non-Current Financial Assets	4.075.09
Current Financial Assets	210.51
Cash and Cash Equivalents	892.14
Non-Current Financial Liabilities	-27.57
Current Financial Liabilities	-138.90
Guarantees given for EU Financial Instruments	-2.027,01

Intangible assets are IT software internally generated, which represented EUR 56 million at the end of 2025.

e) Fraud: prevention, detection, and correction

The Common Anti-Fraud Strategy in the RTD Family (RAFS), jointly with its Action Plan, sets out broad principles to counter external fraud in grant expenditure in Research & Innovation (RTD) Framework Programmes by building relevant preventive and detective measures. The RAFS was set-up in 2012 and updated over the years in line with the OLAF methodology. The latest update (2023 RAFS) was adopted by the Horizon Europe Steering Board on 22 February 2024. The Common Audit Service (CAS) coordinates the implementation and updates of the RAFS.

The Fraud and Irregularities in Research (FAIR) Committee, chaired by the CAS, remains the main forum of the RTD Family on anti-fraud matters. This Committee develops, regularly monitors and ensures reporting on the implementation of the RAFS action plan to the HE Executive Committee.

In 2025, the FAIR Committee met three times with the main objective of discussing the implementation of the 2023 RAFS Action Plan. The first meeting (37th FAIR Committee meeting) was mainly dedicated to the discussion and endorsement of the Horizon Europe CAS Working Arrangements for OLAF processes, subsequently adopted by the Horizon Europe Executive on 8 October 2025, and to the endorsement of a template Survey on Anti-Fraud for staff to evaluate their level of knowledge and their training needs, in line with the Anti-fraud Strategy Action Plan. The second meeting (38th FAIR Committee meeting) viewed the participation of the Common IT service (RTD.HDEP.IT) to illustrate the state of play of the DAISY tool, a visual analysis software that identifies potential hidden links between projects, legal entities and persons participating in R&I programmes. The third meeting (39th FAIR Committee meeting) followed up on the matters

([21]) Source of data: Dashboard balance sheet in annex 3

([22]) See Annex 6C EIC fund financial instruments (RCS C) and Annex 6 D InnovFin (RCS D)

previously discussed and focussed on the upcoming revision of the R&I Fraud Risk Assessment and the need to revise in 2026 the RAFS and its Action Plan.

Awareness-raising actions on anti-fraud remains one of the objectives of the RAFS. The CAS continued to raise awareness towards beneficiaries on the importance of anti-fraud during the Horizon Implementation Day of 3 April 2025. The CAS continues to actively cooperate with the European Anti-Fraud Office (OLAF) on fraud prevention via the Commission Fraud Prevention and Detection Network (FPDNet), on case selections and investigations.

The CAS also continues to cooperate with the European Public Prosecutor's Office (EPPO), when necessary.

Corrective measures based on OLAF recommendations are reported on in the context of annual monitoring exercises conducted by OLAF, in accordance with Article 11 of Regulation 883/2013 (23).

A separate DG RTD Anti-fraud strategy (DG RTD AFS) covers all spending areas except grants – i.e. fraud risks related to financial instruments, procurement, expert management, prizes etc. The DG RTD AFS was established in 2012 and last updated in December 2022 in line with OLAF's methodology. It covers the period 2022-2025. The Action Plan of the DG RTD AFS focuses on raising staff awareness on the rules of ethics, with particular emphasis on possible conflicts of interest in the DG. Its implementation is being monitored and reported to the management twice a year. All necessary actions have been implemented.

An update of DG RTD's AFS is currently ongoing and will be finalised in early 2026.

As lead service for action 36 of the Commission Anti-Fraud Strategy Action Plan of July 2023, both DG RTD and the CAS continuously improve the respective DG RTD AFS and RAFS and their implementation by updating such strategies and relevant fraud risk assessments.

On the basis of the available information, DG RTD has reasonable assurance that the anti-fraud measures in place are effective overall.

2.1.3. Efficiency of controls

Based on an assessment of the most relevant efficiency control results, DG Research and Innovation reached a positive conclusion.

The transition in 2025 to the Commission's new accounting system, SUMMA, has required the adjustment to a new system and has impacted budget implementation tasks, processes and financial management activities, particularly during the first part of the year. This has required careful management to ensure the same data quality as in previous years. In some cases, this may have resulted in lower performance for some standard financial indicators such as the timely payments (see Annex 4).

Grant management

DG Research and Innovation uses **Time-to-Inform (TTI), Time-to-Grant (TTG) and Time-to-Pay (TTP)** as the main efficiency performance indicators of the control system for Horizon 2020, Horizon Europe including Euratom are**.** Some additional indicators on ex-post audits are presented in Annex 7.

By the end of 2025, 19 456 Horizon Europe grant agreements (26 of which in DG RTD) and 15 Framework Agreements had been signed, for a total EU contribution of EUR 52.76 billion (EUR 39.94 million of which in DG

(23) REGULATION (EU, EURATOM) No 883/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999

Research and Innovation). Horizon Europe currently enjoys a success rate of 14.33 % ([24]), i.e., around 1 out of 7. Finally, by the end of 2025, 71 Euratom grant agreements were signed (2 of which in 2025) with an EU contribution of EUR 816.29 million.

Time-to-Inform (TTI)

During 2025, 100 % of the Horizon Europe main-listed proposals received the information letters within five months (153 calendar days) from the respective call deadline. On average, information letters for all main-listed proposals were sent within 137 days.

Table: Horizon Europe Time-to-Inform

Period	DG Research and Innovation		Research and Innovation family	
	Signed Grant Agreements where TTI <= 153 days	Average TTI for main-listed proposals (days)	Signed Grant Agreements where TTI <= 153 days	Average TTI for main-listed proposals (days)
2021-2025	96.15%	84	85.71%	131
2025	100%	38	97.64%	137

During 2025, 100 % of the Euratom Horizon Europe main-listed proposals received the information letters within 5 months (153 calendar days) from the respective call deadline. The average Time-to-Inform period was 50 days.

Table: EURATOM Time-to-Inform

Period	DG Research and Innovation	
	Signed Grant Agreements where TTI <= 153 days	Average TTI for main-listed proposals (days)
2021-2025	98.36%	121
2025	100%	50

Time-to-Grant (TTG)

During 2025, 94.4 % of Horizon Europe grant agreements were signed within 8 eight months from the respective call deadline, with an average of 211 days.

For the period covering 2021-2025, the respective figures were 87.45 % and 223 days.

Table: Horizon Europe Time-to-Grant

Period	DG Research and Innovation		Research and Innovation family	
	Signed Grant Agreements where TTI <= 153 days	Average TTI for main-listed proposals (days)	Signed Grant Agreements where TTI <= 153 days	Average TTI for main-listed proposals (days)
2021-2025	88.64%	207	87.45%	223
2025	100%	83	94.40%	211

During 2025, 100 % of the Euratom Horizon Europe grants were signed within 8 months (245 calendar days) of the respective call deadline. The average Time-to-Grant period was 162 days.

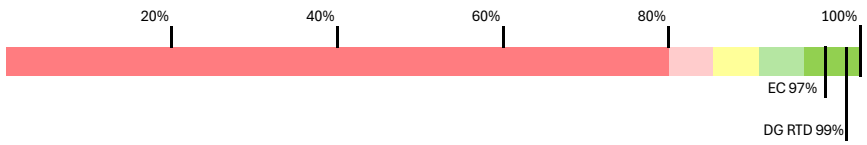
([24]) The respective success rate for H2020 was 11.95%

Table: EURATOM Time-to-Grant

Period	DG Research and Innovation	
	Signed Grant Agreements where TTI <= 153 days	Average TTI for main-listed proposals (days)
2021-2025	100%	218
2025	100%	162

Timely payments

The performance on Time-to-pay is excellent (99%) and marginally below last year's (100%). This is the result of the transition between accounting systems at the beginning of the year (ABAC to SUMMA), which delayed payment processing in the first quarter of the year, as well as some payments due to integration issues with operational system

Timely Payments	DG RTD Score	EC Score
	99%	97%

Joint Undertakings (Art. 187), Public-Public Partnerships (Art. 185) and Executive Agencies

During 2025, significant efforts were undertaken to ensure:

- An increased cooperation between (lead) parent DGs to further enhance the supervision framework of executive agencies.
- As of 1 January 2024, following the third Commission Decision on the completion of the restructuring of the European Innovation Council (EIC) Fund (C(2023)8183, 4.12.2023) and as described in the Communication to the Commission accompanying that Decision, the supervision and control of the EIC Fund operations has been entrusted to the EIB, in line with the applicable provisions in the Financial Regulation for indirect management. In the new setting, EISMEA's role in monitoring and supervision is limited to the grant component of the EIC Accelerator and the fulfilment of its tasks for the coordination between the grant component and the equity investments by the EIC Fund, as well as assisting DG RTD in fulfilling its role in supervision and monitoring.
- The drafting and update of several harmonised templates and decisions for Joint Undertakings, in close cooperation with the operational units in charge of the Joint Undertakings and the Joint Undertakings themselves (i.e. Financial Framework Partnership Agreement, Consolidated Annual Activity Report, Annual Work Programme, Governing Board decisions, Synergy Agreement).
- The implementation of harmonised IT tools, with the support of RTD and horizontal IT units, and based on the operational feedback of Joint Undertakings. This included notably the launch of two tools for the planning and reporting of in-kind contributions to additional activities, launched in May and October 2023, respectively.
- Setting up a horizontal approach regarding the impact of UK association to Horizon Europe on the budgets of Joint Undertakings, in close cooperation with the CPC.

- The correct reporting by Joint Undertakings on their Phasing Out Plans, as required by the Single Basic Act.
- The smooth implementation of European Partnership on Metrology ([25]), the successor of the article 185 body EMPIR, by preparing the necessary templates (e.g. Financial Framework Partnership Agreement/Contribution Agreements; the Model Grant Agreement).

DG RTD is coordinating the 2021-2024 evaluations for all Executive Agencies, which shall be finalised in 2026.

Financial instruments

InnovFin

The Innovfin financial instruments are managed efficiently, in accordance with the delegation agreements concluded with the EIB and the EIF.

EIC Fund

Commitments of the EC with the EIB in relation with the EIC Work Programme 2025, were executed for a total Budget of EUR 721 million.

In 2025, there have been two payments executed in reply to the requests of the EIC Fund. The first one was executed on the 26/06/2025 and comprised an amount of EUR 381 million (EUR 52 million for companies from the Cut offs before November 2022 + EUR 329 million for the companies selected under the cut off from November 2022 and 2023). A second payment was executed on 9 October 2025 for an amount of EUR 312 million (EUR 32 million for the companies selected under the cut off from November 2022 and 2023 + EUR 100 million for the companies selected under the EIC work programme 2024 + EUR 180 million for companies selected under the STEP Call of the EIC work programme 2025).The amounts correspond to the request initiated by the EIC Fund and correspond to the investment needs. Our payment schedule is now aligned and based on two payment deadlines, one on 15 June and a second on 31 October each year, with just a minor delay in June due to the late transmission of the payment request by the EIC Fund and the EIB (request received on 25 June 2025).

Regarding the monitoring of the administrative cost, and as defined in the EIC Work Programme, a 10% of the total transferred amounts can be used as a maximum for the administrative fees (total operational costs) of the EIC Fund ([26]). This amount related to a work programme should suffice for the duration of all investments related to a determined Work Programme. The monitoring of such compliance requires the distribution across a tentative lifespan of the investments of 7 years.

For 2025[27], the projection of maximum administrative fees, indicated a cap of EUR 40 826 819, whereas the preliminary costs including until 30 September 2025 are EUR 23 625 419, thereby under the threshold.

In conclusion, the EIC Fund is managed efficiently, in line with the expectations of the EIC Work Programmes.

([25]) The Decision (EU) 2021/2084 on the participation of the Union in the European Partnership on Metrology jointly undertaken by several Member States entered into force on 1 December 2021.

([26]) This is not a flat rate. It is a ceiling, monitored constantly to have continuous figures and make projections on the costs.

([27]) For 2025 there is only preliminary data based on the draft unaudited accounts and provided NAV packages. This information yields a tentative result. For exact verification, however, the calculations should be done with the audited accounts.

2.1.4. Economy of controls

Grants

In accordance with the Commission central services' guidance ([28]), the cost of controls in direct grant management is assessed by the cost of the different control measures. The overall assessment is derived from the ratio between these costs and the total amount paid in the year for grants.

The overall cost of the controls in grant management for DG RTD is estimated at 3.76 % (EUR 5.6 million in 2025) of the total implemented budget (in terms of payments) in 2025. The increase compared to last year's 2.76 % can be attributed to the lower amounts paid.

Therefore, the implementation of controls can be considered as a cost-effective operation taking into account the reduction of economy of scale linked to the delegation of programme implementation to Executive Agencies that took place in 2021.

The calculation of the percentage of costs of controls by category is detailed in annex 7 section 12.

Details of the estimated cost related to shared/pooled control activities carried out by DG REA and hosted by DG RTD (Common Implementation Centre including Common Audit Service) for the Research and Innovation family are reported in the annual activity reports of REA and DG RTD.

Details about the estimated cost of the control activities provided by REA, are reported in the Annual activity report of REA.

Joint Undertakings (Art. 187), Public-Public Partnerships (Art. 185) and Executive Agencies

Total costs for supervision of Joint Undertakings (Art. 187 bodies-JUs) incurred in 2025 by DG Research and Innovation are estimated at EUR 3.7 million, i.e., 0,41% of the payments made to these bodies in 2025.

Total costs of supervision of Public-Public Partnerships (Art. 185 bodies) incurred in 2025 by DG Research and Innovation are estimated at EUR 0.77 million, i.e., 0.7% of the payments made to these bodies. Total costs of supervision of Executive Agencies incurred in 2025 by DG Research and Innovation are estimated at EUR 1.91 million, i.e., 0.77% of the total expenditure sub-delegated by DG Research and Innovation to them, covering also the administrative costs.

Table: DG Research and Innovation cost of supervision of Executive Agencies, Joint Undertakings and Public-Public Partnerships

Executive agencies and Indirect Grant Management	Payments (a)	FTE	Total direct costs (b)	Horizontal costs (0,19% of payments see table Y annex 6) (c)	Total costs (b) + (c)	Total costs as % of (a)
Executive Agencies	248.316.779,62 €	8,90	1.441.410,60 €	465.731,85 €	1.907.142,45 €	0,77%
Article 185	110.561.506,27 €	3,48	563.607,74 €	207.364,22 €	770.971,96 €	0,70%
Article 187 (JU's)	897.315.189,96 €	12,46	2.017.165,06 €	1.682.964,25 €	3.700.129,31 €	0,41%
Total	**1.256.193.475,85 €**	**24,84**	**4.022.183,40 €**	**2.356.060,32 €**	**6.378.243,72 €**	**0,51%**

The supervision of Executive Agencies includes the implementation of their operational budget, which is not a direct part of the DG RTD budget and thus not covered directly by the assurance of this report. During 2025,

([28]) Guidance on the estimation, assessment and reporting on the cost-effectiveness of controls- DG BUDG Updated edition – December 2020

REA, ERCEA and EISMEA implemented a total of EUR 6 014 million payment appropriations ([29]) from the 2025 operational budget for research and innovation framework programmes. HaDEA and CINEA implemented EUR 2 381 million payment appropriations. These amounts have been considered when assessing the cost-effectiveness of supervision.

The decrease in the cost of supervision of Executive Agencies, compared to last year's 1.90 % is due to the lower number of dedicated FTEs. In the case of Article 185 bodies, the increase from 2024's 0.47% could be attributed to the lower amounts paid in conjunction with a greater number of FTEs. Finally, regarding Article 187 bodies, the decrease from the previous period's 0.52% can be attributed to the significant increase of the amount paid in 2025.

Overall, the control system put in place for Executive Agencies and indirect management is considered cost-effective.

Financial instruments ([30])

InnovFin

In the year 2025, DG Research and Innovation made no contribution payments to neither the European Investment Bank (EIB) nor the European Investment Fund (EIF), for InnovFin, as the programme is pending closure. The notification for the EIF fees for 2025 were received in February 2026. The EIB notification for the EIB 2025 fees is expected in the course of the first semester of 2026.

The share of fees of the three instruments in the 2025 payments is in the absence of payments irrelevant, which is due to the legacy status of the instruments. This percentage is no longer comparable with historic values from the active lifetime of the program due to the low number and amounts of payments in this non active/legacy period and to cashing in arrears from previous periods. The mentioned fees were withdrawn from the EU account according to the terms of the Delegation agreements, which were drafted specifically for the sound management of funds.

The amounts transferred for the management and other fees payable each year vary. For this reason, a full account of the share of management fees out of the total implemented amounts will only be possible upon the closure of the programme.

The supervision of the activities implemented by the EIB and the EIF was carried out in 2025 by 0.5 Full Time Equivalent DG Research and Innovation staff. See table Y in Annex 7.

EIC Fund

In the year 2025, DG Research and Innovation's payments to the European Investment Bank (EIB) for the EIC Fund amounted to EUR 642 million. This amount includes a provision of cash necessary to the execution of investments (EUR 641 Million) together with EUR 1 million related to the yearly management fee of the EIB in its role of Intermediary manager of the EIC Fund (as a result of the Commission Decision C(2023) 8183).

Nevertheless, this payment is not directly related to the actual payment of operational costs of the EIC Fund. However, and based on the draft accounts received from the EIC Fund and waiting for the official submission of both unaudited and audited accounts we can provide an indicative split of costs borne by the EIC Fund.

([29]) Data from SUMMA and ABAC, received on 22/01/2025

([30]) Please note that the cost of controls for Financial Instruments includes the cost of control of all associated non-expenditure items related to Financial Instruments (as laid out in section 2.1.2D) and cannot be provided separately.

These costs include:

- EUR 4 280 835 for Administrative Fees, including but not limited to Depositary Fees, Legal Fees, Audit fees, Membership Fees, etc, in line with market practices.
- EUR 19 344 584 for Advisory Fees (EIB Advisory Division).
- EUR 1 026 000 for yearly fee of the EIB as Mandate Division for the EIC Fund.

The supervision of the activities implemented by the EIB was carried out in 2025 by 5 Full Time Equivalent DG Research and Innovation staff. The total cost of this supervision was estimated at EUR 0.81 million in addition to the costs of the horizontal control tasks estimated at EUR 1.3 million (0.19% of payments). See table Y in Annex 7.

2.1.5. Conclusion on the cost-effectiveness of controls

Based on the most relevant key indicators and control results reported above, DG Research and Innovation has assessed the effectiveness, efficiency and economy of its control system and reached a positive conclusion on the cost-effectiveness of the controls for which it is responsible with two reservations detailed in annex 9.

The first objective of the control system is to achieve the main policy objective – to create growth and jobs, in particular, by contributing to more and better research and innovation in Europe. In this sense, the controls aim to ensure good work programmes, to select the best proposals to be funded and to verify the project's deliverables.

The second objective of the control system is to ensure that the EU contribution paid to the beneficiaries complies with the internal control objectives. Thus, that legal and regular transactions are carried out in a cost-effective way.

Overall, given:

- the achievements of research and innovation policy as set out in Part 1,
- the quantitative and qualitative benefits arising from the control systems adopted (common approach on processes and interpretation of rules thanks to the Common Implementation Centre, quality of proposals due to reviews which are performed by panels of independent external experts in the scientific field complemented by a real competition for funds, amount of rejected funding following ex-ante checks, and the amount recovered following the implementation of audit result),
- the H2020 error rates, which is at levels considered as being appropriate when balanced between different policy objectives and between trust and control,
- Due to the relatively small number of ex-post audits and technical reviews completed by the end of 2025, the HE error rate calculation is highly sensitive to few extreme results. Excluding the latter cases, the Representative Error Rate would be below the materiality threshold of 2%.
- the costs of the control system compared to the level of expenditure,

It is considered that the cost-effective control system in place is balanced with the objectives of the research and innovation policy. For the reservation on Horizon Europe High error rate an action plan is ongoing.

2.2. Audit observations and recommendations

This section sets out briefly the state of play for all audit observations and recommendations reported by auditors related either to performance aspects or to internal control and financial management. Further details for IAS and ECA audits can be found in Annex 8.

Where an audit has detected weaknesses affecting an internal control principle or the department's assurance, a detailed analysis is provided further below in section 2.3 and, where applicable, the incidence on the AOD's assurance is presented in section 2.4, accordingly.

Internal Audit Service

Reported	Audit Title	Accepted Recommendation	State of play in 2025	Impact on the assurance for 2025
2023	Horizon Europe governance arrangements, preparation of the work programmes and of budget planning, allocation and monitoring	Very important: Finding No 1: EU Missions	☑	☑
2024	The design of the control strategy for Horizon Europe	Very important: - Recommendation 1, Design of the overarching "Control Strategy" - Recommendation 4, Design of the *ex-post* controls	☑	☑
2025	Horizon Europe - EIC grant agreements preparation and award procedures in EISMEA and DG RTD	Critical: Rec. n°3: Revise the award decision process	⏳	🚩
		Very important: - Rec. n°4: Revise the amending award decision process - Rec.n°5 Reinforce budget monitoring and ensure formal transmission of the award decisions to EIB	⏳	☑
2025	Management of in-kind contributions (design under Horizon Europe)	Very important: - Rec. n°2 Finalise the development of the IT tools and improve the quality of the reports	⏳	☑

State of play	Assurance
☑ Action plan implemented or awaiting review from IAS	☑ No impact on the assurance
⏳ Action plan implementation is ongoing	🚩 Impact on the assurance
📝 Preparation of the action plan	

European Court of Auditors

Reported	Audit Title	Accepted Recommendation	State of play in 2025	Impact on the assurance for 2025
2022	Statement of Assurance (DAS) 2021 Annual reports concerning the 2021 financial year, Chapter 4	1	✅	✅
		5 ([31])	⏳	✅
2023	Statement of Assurance (DAS) 2022 Annual reports concerning the 2022 financial year, Chapter 5	1a	✅	✅
2024	Statement of Assurance (DAS) 2023 Annual reports concerning the 2023 financial year, Chapter 5	1,2	✅	✅
2025	Statement of Assurance (DAS) 2024 Annual reports concerning the 2024 financial year, Chapter 5	1,2a,2b,2c ([32])	⏳	✅
2022	Special Report 15/2022: Measures to widen participation in Horizon 2020 were well designed but sustainable change will mostly depend on efforts by national authorities	2, 5b ([33])	⏳	✅
2023	Special Report 22/2023: Offshore renewable energy in the EU – Ambitious plans for growth but sustainability remains a challenge	2b ([34])	⏳	✅
2024	Special Report 08/2024: EU Artificial intelligence ambition – Stronger governance and increased, more focused investment essential going forward	5 ([35])	⏳	✅
2025	Special report 06/2025: EU actions tackling sea pollution by ships – Not yet out of trouble waters	3 ([36])	⏳	✅

State of play	Assurance
✅ Action plan implemented	✅ No impact on the assurance
⏳ Action plan implementation is ongoing	🚩 Impact on the assurance
📝 Preparation of the action plan	

([31]) The implementation deadline for recommendation 5 is 31/12/2028.
([32]) The implementation deadline for recommendation 1 is 30/06/2026. The implementation deadline for recommendations 2a, 2b and 2c is 12/2026.
([33]) The implementation deadline for recommendation 2 is 31/12/2027. The implementation deadline for recommendation 5b is 12/2029.
([34]) The implementation deadline for recommendation 2b is 31/12/2027.
([35]) The implementation deadline for recommendation 5 is 31/12/2025. However, the action plan has been extended until the end of 2027. The milestones of the action plan for which their deadline was set at the end of 2025 have been implemented.
([36]) The implementation deadline for recommendation 3 is 12/2026.

2.3. Assessment of the effectiveness of internal control systems

The Commission has adopted an Internal Control Framework based on the highest international standards. **([37])**

DG RTD has adapted the Internal Control Framework to its specific characteristics and organisational structure. The internal control systems are suited to achieving its policy and internal control objectives in accordance with the internal control principles, having due regard to the risks associated with the environment in which it operates.

DG RTD has assessed its internal control system during the reporting year and has concluded that: it is partially effective as internal control principles 10, 11, and 12 need major improvements, which could have a significant impact on the assurance (qualified).

More specifically, the IAS, following its audit on 'Horizon Europe - EIC grant agreements preparation and award procedures in EISMEA and DG RTD', issued one 'Critical' and four 'Very Important' recommendations. DG RTD is required to take remedial action regarding the 'Critical' and two of the four 'Very Important' recommendations. These focus on reinforcing the design and implementation of the controls related to the EIC GAP phase as well as the budget monitoring, and on revising the award decision process, the amending award decision process, and the reporting of the Time-to-Grant indicator. A reservation was issued as part of this report (please see annex 9), on reputational grounds, concerning weaknesses affecting the award decision process. Consequently, the strict adherence to the approved action plan (completion of which is planned for the end of 2026) is paramount and will be closely monitored to ensure mitigation of any associated risks. It should be noted, however, that no ineligible grants were signed in that context, and therefore, the financial risk did not materialise.

Additionally, regarding the management of in-kind contributions under Horizon Europe, DG RTD will finalise the development of the IT tools and improve the quality of the reports, respecting the agreed timeframe (end of Q3 2026).

All other deficiencies identified by the IAS or the European Court of Auditors are being addressed according to the respective action plans and within the established deadlines.

Finally, a reservation was issued on 'the rate of the residual error within grants payments in the Horizon Europe Framework Programme (including Euratom), implemented directly and indirectly by DG RTD', as presented in annex 9. A set of action aiming at lowering this rate is already under implementation. In brief, these include:

- The "Tour des capitales" initiative, consisting of on-site visits to MS capitals, reaching directly to beneficiaries, to inform them of recent changes in the work programmes, the modalities of new simplified ways of declaring costs and to raising awareness on several reporting obligations;
- Extended meetings between the Research and Innovation Auditor's Network (RIAN) together with the Research and Innovation Ex-Ante (RINEC) practitioners' group to have an exchange between ex-post and ex-ante controls experience;
- Fine-tuned and extended error rate campaign;
- Focused sessions on Info Days and awareness raising during the R&I Days;

([37]) The Committee of Sponsoring Organizations of the Treadway Commission Internal Control Integrated Framework, the golden standard for internal control systems.

- Guidance to beneficiaries and implementing bodies.

For more details on the assessment of the Internal control, please see Annex 8.

2.4. Conclusions on the assurance

Following an assessment of the effectiveness, efficiency and economy of its control system, DG RTD reached a positive conclusion on the cost-effectiveness of the controls. Moreover, the DG has reasonable assurance that the anti-fraud measures in place are effective overall.

The IAS audits on 'Horizon Europe - EIC grant agreements preparation and award procedures in EISMEA and DG RTD', and the 'Management of in-kind contributions (design under Horizon Europe)', indicated deficiencies affecting Internal Control Principles (ICPs) 10, 11, and 12 (and to some extent ICP 7), resulting in a reservation on reputational grounds, as the associated financial risk did not materialise. An approved action plan is already being implemented.

The calculated rate of the residual error within grants payments in the Horizon Europe Framework Programme (including Euratom), implemented directly and indirectly by DG RTD, was above the materiality threshold of 2%. This warranted a reservation. A set of mitigating actions already under implementation.

Based on the analysis of the results of the controls in place shown in the indicators outlined above, and the examination of the evidence available, DG Research and Innovation's management is in a position to provide **reasonable assurance on the following areas:**

- policy-development activities;
- the processes relating to the selection of contractors and beneficiaries and the underlying financial operations (legal and financial commitments);
- payments relating to administrative expenditure and procurement;
- Horizon 2020, Euratom and Horizon Europe payments for grants (qualified by a reservation);
- management of the InnovFin and EIC Fund financial instruments, and the underlying financial transactions with the EIB and EIF (qualified by a reservation);
- payments to Joint Undertakings and Article 185 initiatives;
- the operating subsidy paid to the Executive Agencies.

DG Research and Innovation considers that its overall control strategy is appropriate as it ensures a good balance between manageable errors and efficient controls at a reasonable cost. However, because of

- the rate of the residual error within grants payments in the Horizon Europe Framework Programme (including Euratom), implemented directly and indirectly by DG RTD, and
- weaknesses affecting the EIC award decision process;

two reservations have been issued.

Recapitulative Table

Reservation Title	Financial Impact (in m EUR)		Residual error rate 2025*	Evolution
	2024	2025		
Reservation concerning the rate of the residual error within grants payments in the Horizon Europe Framework Programme (including Euratom), implemented directly and indirectly by DG RTD.	-	26	4.03%	New
Reservation on financial and reputational grounds concerning weaknesses affecting the European Innovation Council award decision process.	-	0	N/A	New

In conclusion, based on the elements reported above, management has reasonable assurance that, overall, effective controls are in place and working as intended; risks are being appropriately monitored and mitigated; and necessary improvements and reinforcements are being implemented. The Director-General, in his capacity as Authorising Officer by Delegation has signed the Declaration of Assurance albeit qualified by two reservations summarised in the above recapitulative table.

2.5. Declaration of Assurance [and reservations]

Declaration of Assurance

I, the undersigned,

Director-General of Research and Innovation

In my capacity as authorising officer by delegation

Declare that the information contained in this report gives a true and fair view ([38]).

State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of the self-assessment, ex-post controls, the work of the Internal Audit Service and the lessons learnt from the reports of the Court of Auditors for years prior to the year of this declaration.

Confirm that I am not aware of anything not reported here which could harm the interests of the institution.

However, the following reservations should be noted:

- Reservation concerning the rate of the residual error within grants payments in the Horizon Europe Framework Programme (including Euratom), implemented directly and indirectly by DG RTD.

- Reservation on reputational grounds concerning weaknesses affecting the European Innovation Council award decision process.

([38]) True and fair in this context means a reliable, complete and correct view on the state of affairs in the DG.

More details are provided in annex 9.

Brussels, 08/04/2026

Marc Lemaître

Director-General DG Research and Innovation

3. A MODERN AND SUSTAINABLE PUBLIC ADMINISTRATION

3.1. Human resource management

During 2025, DG RTD successfully completed the actions set out in its HR Strategy and Action Plan 2024–2025, ensuring that DG-level priorities were addressed while remaining aligned with corporate HR objectives.

Key achievements in learning and talent management included the establishment of the Learning & Development Coordination Group, the publication of the first RTD Training Plan, the promotion of job-related learning packages, and tailored support for Certification, JPP and internal competition candidates.

The launch of the first RTD Talent Development Programme as a pilot further strengthened structured career development opportunities across the DG.

Support for newcomers and mobility was reinforced through the revitalisation of the RTD Mentoring Scheme, its integration into the revamped onboarding package, the publication of RTD-specific guidance on the New Recruitment Model, and the rollout of a first job-shadowing pilot within DG RTD. A testimonial series highlighting staff mobility experiences further contributed to embedding a culture of mobility at all levels.

Engagement, transparency, and collaboration were enhanced through regular all-staff meetings with the Director-General and the Commissioner, DG Library talks, and more flexible organisational structures. These included the creation of the Taskforce on Startups and Scaleups, the establishment of the RTD Administrative Assistants Network, and the partial renewal of our matrix organisation enabling more effective mobilisation of skills and resources across the DG.

In parallel, DG RTD advanced leadership, digitalisation, and management development through the launch of the Digital Awareness Campaign, the first edition of the DG HR Management Development Programme for future middle managers—supporting improved gender and geographical balance—and participation of Heads of Unit and deputies in the corporate Management Duo Coaching programme. The DG has prioritised through dedicated initiatives staff wellbeing and actively promoted a harassment-free workplace. Finally, the update of the RTD HR intranet further improved access to HR information and reflected the successful delivery of the Action Plan.

3.2. Digital transformation and data management

Digital Transformation

Since 2023, DG RTD has established an IT Steering Board, chaired by one of its Deputy Director-Generals, ensuring all IT systems adhere to Commission IT security policies and standards as set by the IT and Cyber-Security Board. In 2024, DG RTD appointed **a Digital Transformation Officer** (DTO) who advises the RTD IT Board and leads the informal "Digital Transformation Group" comprising members from the Common Implementation Centre (CIC) IT Unit, the Efficient Office Unit, Common Policy Centre, Interinstitutional Unit, and Human Resources Correspondent team. This group developed DG RTD's Digital Transformation Roadmap 2025.

During 2025, DG RTD launched the actions listed under **the Digital Transformation Roadmap**, with the most notable achievements listed below:

The Digital Awareness Campaign consisted of several training sessions; some structured and organised throughout the year, and some sessions, based on ad hoc demands from Units, mainly around the AI@EC tools. At the heart of this campaign was a tailor-made training course that consolidated material in the areas of M365, Cybersecurity and Artificial Intelligence.

As part of the Business-Driven Digital transformation and in terms of reaping the benefits of the AI@EC capabilities, a series of proof-of-concept projects were launched in the form of a tailor-made AI chatbots. The most ambitious of these was the so-called R&I Policy Assistant chatbot. Similar AI-chatbots have been launched, including the “Legal Assistant”, the “Go-Fund Wiki Assistant”. All these chatbots are at various stages of maturity but given the Commission decision to revamp the AI@EC Platform, the “final” production version of these cannot be expected before late 2026 or early 2027. Nevertheless, these chatbots can still be used and provide value to the day-to-day activities of the teams behind, albeit with certain limitations.

Although not mandatory, DG RTD pays much attention to **the overall cybersecurity domain**. And in 2025, RTD managed to maintain a high overall score of 88% in this indicator, the Cyberawareness indicator which falls on the EC average value. Our Staff participation in Cyber-awareness courses was at 35% (up from 33% in 2024, but slightly below the EC average of 36%). It must be noted that the test phishing attempts issued by DIGIT.S and HR.DS were of a much higher level of “difficulty to detect”. This means that, overall, colleagues have become better at detecting phishing attempts.

During 2025, RTD made significant progress regarding **cloud adoption**. The **eGrants Cloudification Strategy and eGrants Technical Architecture Vision** documents were adopted by the GPSB as part of the modernisation programme of the eGrants suite. Architecture blueprints were defined, Proof-of-Concept launched, and some systems started their migration to the cloud (PPGMS, JAGATE, ERIS, CCM, Bannerman, and SEP-SUB).

DG RTD is gearing towards enhancing digital transformation within the directorate to simplify and ease all administrative and operational processes, including using AI (for library services, briefing/speech production and public procurement).

Data Management

In the area of **data management** (maturity: established), DG RTD continued to strengthen the quality and governance of its eGrants and RTD data assets through the SEDIA and eGrants ecosystem. Work was initiated to reinforce data management practices within the IMSB KMI family, including an assessment of established data practices in that area. An internal survey on shadow data in RTD was also launched to gain a clearer picture

of the full data landscape, laying the groundwork for the broader expansion of data management practices to all grants planned for 2026.

Regarding **ownership and responsibilities** (maturity: developing), the Common Implementation Centre proposed and validated with the eGrants and eProcurement Steering Board (GPSB) and the Horizon Europe Executive Committee the first-ever framework for data governance across the eGrants tools. This framework lays down data ownership roles and responsibilities, supported by comprehensive guidelines to enhance accountability - building on the formalisation efforts started in 2024 and preparing the ground for the more precise pinpointing of data stewards and owners envisaged for 2026.

On **data quality** (maturity: developing), DG RTD continued to advance the implementation of its Data Quality Framework and FAIR principles across its data assets, with particular attention to strengthening quality assurance within the eGrants ecosystem. These ongoing efforts aim to progressively enhance the reliability and usability of data, in preparation for the development of a Risk-based Control Framework and the further alignment with FAIR principles planned for next year.

For **data skills** (maturity: developing), DG RTD sustained its training programmes and engagement through local Data and AI communities, consolidating the skills development initiatives launched in 2024. This continued investment in data literacy and competencies across the organisation sets the stage for the more targeted, DG-wide development of data-related skills foreseen in 2026.

Overall, DG RTD's data governance maturity level in 2025 is **developing**, reflecting steady progress across all key areas while still working towards the advanced and trendsetting targets set for 2029.

Moreover, in the course of 2025, the service work to extend the capabilities and features of the Horizon Results Platform towards an Innovation Platform in collaboration with EISMEA and the EIC, as foreseen in the New European Innovation Agenda and the EU Startup and Scaleup Strategy.

Data protection

DG RTD has ensured and documented compliance by reviewing its (public) records of processing operations at least every 2 years. RTD also ensured that staff are aware of the data protection requirements through:

- local awareness campaigns: four training sessions organised and delivered to newcomers, as part of their compulsory training on personal data protection in practice at DG RTD

- Research family-wide awareness campaign: one R&I family-wide training proposed and delivered as part of the eGrants general training to staff of Executive Agencies, Joint-Undertakings and Research Directorates-General; and

- encouraging the participation of staff in centrally organised training activities.

3.3. Sound environmental management

DG R&I operates a dedicated monitoring and forward-looking tool to assess CO2 footprint generated by staff **missions.** This pro-active monitoring of staff business trips, whose CO2 emissions and budget are regularly and extensively monitored with monthly report to senior management, guarantees the minimum 50% carbon footprint reduction pledge. Currently DG R&I is overachieving the target. At end of year, DG R&I has exceeded this target by reducing its footprint by **72% (baseline 2019 1788K CO2 – 2025 496K CO2, source Qlick Sense)**. In June and September, a budget review process was held with the full participation of all directorates and their commitment to reassess their practical needs and update their budget requests. A collective effort to ensure that the reduction achieved in 2024 would also be succeeded in 2025. DG R&I monitoring process is an example in the whole Commission and praised in the EMAS coordination meetings regularly.

According to the latest update on the experts' travels, DG R&I reached in 2025 the 50% reduction compared to the 2019 baseline: payments in 2025 decreased by 65% (741K euro in 2025 compared to 2070K in 2019).

DG R&I is committed to fully support the Building Energy Savings Together (BEST) – Summer 2025 in Brussels. During both programme periods - the end-of-year and summer closures - the ORBN and CDMA buildings were fully closed. Lighting, ventilation and air-conditioning were switched off, with the aim of achieving the highest possible level of energy savings.

DG R&I undertakes regular actions to increase staff awareness and engagement about greening transition in several fields:

- **Promotion on sustainable commuting**: a) with participation on challenges of "Velomai 2025" and "Walking challenge 2025 spring edition". b) by requesting from OIB during the coordination meeting: i) to evaluate and increase the bicycle spaces at ORBN, ii) investigate the installation of more charging points for electric bikes at CDMA and ORBN.
- **Promotion on energy saving and water management**: a) by launching the "DG RTD Environmental Challenge". b) by seeking further information from OIB on the sorting of organic waste during the coordination meeting.
- **Promotion of waste management and sorting by** : a) by organising an EMAS Action in collaboration with "Recupel" (non-profit organisation) for the collection of electrical and electronic equipment that no longer function and can be responsibly recycled. b) by hosting a training series of 3 seminars in the Library about "Healthy & Sustainable eating" organised by EC EMAS Team, presenting good food practices and impact to the environment and including information about food waste.
- **Promotion on circular economy practices and the reuse and repair of items**: a) by organising an "EU Ecolabel" presentation in parallel with the showcase exhibition in ORBN entrance. b) by organising an EMAS Action in collaboration with "Recupel" (non-profit organisation) for the collection of electrical and electronic equipment that can be reused through second-hand circuits
- **Promotion on digital mindfulness**: a) by launching the "DG RTD Environmental Challenge". b) by organising in the Library a special collective broadcasting of the webinar "Green Bytes: Making IT Greener at the Commission." A shared viewing experience with only one streaming connection to be informed about greener IT process, IT waste management, the EC's digital landscape, data centres and cloud services, environmentally conscious use of AI technologies.

The commitment of DG R&I towards the **biodiversity** remains strong: a) with the continuous care and maintenance of the herb garden and the growth of the plants at the courtyard of ORBN. This action is fully supported by strong network of "volunteer gardeners". b) moreover, during the coordination meeting with OIB, DG R&I requested to evaluate the possibility of placing insect hotels at the courtyard of ORBN. c) Organising a guided tour of the "Refresh XL Rooftop Farm" (non-profit association) and a visit to the "Refresh XL – Restaurant" to explore integrated approaches to sustainable agriculture, biodiversity and social inclusion.

Electronically signed on 08/04/2026 19:12 (UTC+02) in accordance with Article 11 of Commission Decision (EU) 2021/2121