**Council of the
European Union**

**Brussels, 18 July 2025
(OR. en)**

**11780/25
ADD 1**

**COH 146
SOC 536
FIN 906
ECOFIN 1030
RECH 333
COMPET 763
TELECOM 253
CYBER 216
CLIMA 284
ENV 723
INDEF 77
POLMIL 223
CADREFIN 114
POLGEN 97**

COVER NOTE

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	16 July 2025
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
Subject:	COMMISSION STAFF WORKING DOCUMENT EVALUATION Interim evaluation of the Strategic Technologies for Europe Platform (STEP) Accompanying the document REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL Investing in the competitiveness and technological leadership of the EU

Delegations will find attached document SWD(2025) 194 final.

_____

Encl.: SWD(2025) 194 final

COMMISSION STAFF WORKING DOCUMENT

EVALUATION

Interim evaluation of the Strategic Technologies for Europe Platform (STEP)

Accompanying the document

REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL

Investing in the competitiveness and technological leadership of the EU

{COM(2025) 421 final}

EN   **EN**

INTERIM EVALUATION OF THE STRATEGIC TECHNOLOGIES FOR EUROPE PLATFORM (STEP)

Investing in the competitiveness and technological leadership of the EU

Commission Staff Working Document – Evaluation

European Commission

Table of contents

List of abbreviations

Abbreviation	Definition
AI	artificial intelligence
capex	capital expenditure
EDF	European Defence Fund
EFTA	European Free Trade Association
ERDF	European Regional Development Fund
ESF+	European Social Fund Plus
EU4Health	European Union health programme
EIB	European Investment Bank
JTF	Just Transition Fund
MFF	multiannual financial framework
NCP	national contact point
NUTS	Nomenclature of Territorial Units for Statistics
OCA	ownership control assessment
opex	operating expenditure
R&D	research and development
R&I	research and innovation
RRF	Recovery and Resilience Facility
RRP	recovery and resilience plan
SME	small to medium-sized enterprise
STEP	Strategic Technologies for Europe Platform
TRL	technology readiness level

INTRODUCTION

This staff working document presents the European Commission staff's views on the interim evaluation of STEP, building on multiple sources.

The Strategic Technologies for Europe Platform (STEP) was set up in March 2024 by Regulation (EU) 2024/795 (the 'STEP Regulation') **as part of the mid-term review of the current EU multiannual financial framework (MFF). It operates until the end of this MFF period (end-2027) and aims to enhance the EU support to the Union's long-term competitiveness and sovereignty in critical technologies**.

Designed as part of the EU strategic response to emerging geopolitical and industrial challenges, STEP aligns and steers 11 existing EU funding instruments to mobilise resources in support of critical technologies in three strategic areas: (i) digital and deep technologies; (ii) clean and resource-efficient technologies; and (iii) biotechnologies. While equipped with limited extra funding (except for a EUR 1.5 billion reinforcement for the European Defence Fund), it introduces targeted incentives to facilitate reorientation/reprioritisation of funding, as well as new tools – such as the STEP (Sovereignty) Seal and the STEP (Sovereignty) Portal.

As required by the STEP Regulation (Article 8), this interim evaluation provides a mid-term assessment of how STEP is delivering on its objectives, with a view to inform future decision-making. The evaluation also fulfils the requirements of the Commission's Better Regulation Guidelines and the Interinstitutional Agreement on Better Law-Making[1]. It assesses the extent to which the objectives have been achieved (i.e. 'effectiveness'), the efficiency in the use of resources and the comparison between costs and benefits (i.e. 'efficiency'), the European added value, the consistency of STEP with other EU initiatives ('coherence'), and the relevance of STEP objectives and actions. In addition, it: (i) provides an overview of the EU regions where cohesion programmes have been amended in line with the partnership principle; (ii) evaluates the feasibility of a single EU portal to consolidate information on EU programmes, improving transparency and accessibility for the public; and (iii) examines the feasibility of a simulator to guide project promoters, especially small to medium-sized enterprises (SMEs), in identifying suitable EU funding opportunities.

This mid-term evaluation covers the first 13 months of implementation of the platform in all Member States, with the cut-off date of 31 March 2025. It encompasses the full scope and objectives of STEP as specified in the STEP Regulation and further clarified in the Guidance Note[2]. The extension of STEP to cover defence technologies as a fourth priority area, as proposed by the Commission on 22 April 2025[3], is not assessed in this evaluation.

This report is published at an early stage in the implementation of STEP, which hinders a fully-fledged impact evaluation[4]**.** For example, not all financial resources allocated to STEP objectives have yet been channelled into the financing and implementation of actual projects within the targeted technology

---

[1] European Commission Better Regulation Guidelines (2021), available at: https://commission.europa.eu/system/files/2021-11/swd2021_305_en.pdf.

[2] Commission Communication C/2024/3209, Guidance Note concerning certain provisions of Regulation (EU) 2024/795 establishing the Strategic Technologies for Europe Platform (STEP), 2024, available at: https://eur-lex.europa.eu/eli/C/2024/3209/oj.

[3] Proposal for a regulation incentivising defence-related investments in the EU budget to implement the ReArm Europe Plan, COM(2025) 188 final.

[4] The STEP Regulation (Article 8) requires that an interim evaluation be concluded by end-2025.

sectors. As a consequence, a systematic assessment of results and impacts is not feasible at this point (in other words, most of the information available at this stage consists of output indicators). Still, the report takes stock of progress and evaluates the impact of STEP where possible. To do so, it outlines the steps taken to steer EU funding towards STEP-relevant technologies and highlights progress on two key tools: (i) the STEP (Sovereignty) Seal, a label awarded by the Commission to high-quality projects; and (ii) the STEP Portal, a user-friendly one-stop shop for STEP-relevant funding and investment opportunities across the EU.

The assessment is primarily based on: (i) the experience and data gathered from relevant stakeholders, including relevant national public authorities, during the implementation of STEP, and compiled by the Commission's staff (see Annex V on stakeholder consultations); and (ii) a dedicated call for evidence[5]. Overall, the evaluation process went as planned, and the data gathered are considered reliable. No significant difficulties were encountered in reaching key stakeholders involved in the implementation of STEP. Therefore, even with the limitations linked to the still early stage of STEP's implementation, the conclusions and lessons learned can be considered sufficiently robust for an interim evaluation.

To ensure the quality of the evaluation, a Commission interservice steering group oversaw the evaluation process. The group provided information, expertise, steer and quality assurance in line with evaluation standards. The members of the group represented 15 Commission services[6] that are responsible for EU funding programmes and EU policies relevant to STEP.

The results of the evaluation will serve two aims. First, they can help identify possible improvements in implementing STEP over the remaining period (until the end of the current MFF)[7]. Second, early lessons from STEP may also inform the design of the future MFF, including the **European Competitiveness Fund.**

This staff working document is structured as follows: Section 2 summarises the objectives and expected outcomes of STEP. Section 3 describes how the situation has developed since STEP's inception in 2024. Section 4 presents the main findings of the evaluation based on the above-mentioned criteria. The fifth and final section provides conclusions and lessons learned. The annexes provide additional information about the methodology used, the stakeholder consultation, and the process and procedures followed for this interim evaluation.

---

[5] See Annex V for further information on the call for evidence.

[6] The interservice steering group is composed of representatives of the Directorate-General (DG) for Budget; DG Climate Action; DG Communications Networks, Content and Technology; DG Competition; DG Defence Industry and Space; DG Economic and Financial Affairs; DG Employment, Social Affairs and Inclusion; DG Internal Market, Industry, Entrepreneurship and SMEs; the Health Emergency Preparedness and Response Authority; the Legal Service; DG Regional and Urban Policy; DG Research and Innovation; DG Health and Food Safety; the Secretariat-General; and the Reform and Investment Task Force.

[7] Article 8(3) of the STEP Regulation provides that 'where appropriate, the interim evaluation report shall be accompanied by a legislative proposal for an amendment of this Regulation'.

WHAT WAS THE EXPECTED OUTCOME OF THE INTERVENTION?

2.1 Description of the intervention and its objectives

Context of the intervention

The EU set up the Strategic Technologies for Europe Platform as part of its response to the **urgent need to strengthen its technological leadership and resilience in strategic sectors**. It was deemed essential to reorient the EU budget in support of strategic investments in critical technologies against the backdrop of increasing supply chain vulnerabilities, aggravated by the COVID-19 crisis and Russia's war of aggression against Ukraine, which affect the EU's ability to pursue its goals in terms of green and digital transitions and undermine the EU's industrial competitiveness, as well as in the general context of not always fair competition in a fragmented global market. Several major economies launched ambitious initiatives to support strategic industries[8].

To remain competitive, the EU must **have in place well-coordinated public funding mechanisms** that match the scale and ambition of those of global counterparts and that can also act as leverage to mobilise private funding – as stated in the Commission Communication on the Savings and Investments Union[9]. Mobilising private capital is also essential, since massive investments are required to boost innovation and productivity growth in the EU and secure Europe's freedom, security and autonomy. As an illustration, the Draghi report[10] estimates them at EUR 750-800 billion in the EU per year until 2030.

STEP also reflects long-standing EU sectoral policy initiatives, such as the Green Deal Industrial Plan[11] and the Digital Decade Policy Programme 2030[12], as well as more recent strategic frameworks such as the Competitiveness Compass[13] and the Clean Industrial Deal[14], with a strong focus on regions and territories, consistent with EU cohesion policy.

Objectives, tools and functioning of the intervention

STEP was created with the ambition to help ensure that the future of industry is made in Europe. The instrument was set up to **reorient existing EU funding instruments, ensuring consistency among them,** to the benefit of projects and technological areas that were identified as crucial for Europe's technological leadership, industrial competitiveness, and strategic autonomy.

---

[8] The United States, through the Inflation Reduction Act, plans to mobilise over USD 360 billion (approx. EUR 330 billion) by 2032 for clean technologies, while Japan's green transformation strategy aims to direct up to JPY 20 trillion (approx. EUR 140 billion) to sustainable industries. Other countries, including India, the United Kingdom, and Canada, have also implemented targeted investment strategies to strengthen their strategic technology sectors.

[9] See COM(2025) 124 final.

[10] See the Draghi report on EU competitiveness.

[11] See COM(2023) 62 final.

[12] See Decision (EU) 2022/2481 of the European Parliament and of the Council of 14 December 2022.

[13] See COM (2025) 30 final.

[14] See COM(2025) 85 final.

STEP pursues <u>two specific objectives</u>, as set out in Article 2 of the STEP Regulation:

1. supporting the **development or manufacturing of critical technologies** throughout the EU, or safeguarding and strengthening their respective value chains, in the following three sectors: digital and deep innovation technologies, clean and resource-efficient technologies, and biotechnologies; and

2. addressing **shortages of labour and skills** across these strategic industries, ensuring Europe has the workforce necessary for innovation and production.

To achieve its objectives, STEP was designed to boost flexibility and synergies across existing EU funding instruments, as illustrated in the intervention logic below. Its main implementation tool is the reprogramming of 11 EU funding instruments (see below), supported – in some cases – by financial incentives offered by the STEP Regulation, such as those set out below.

- For cohesion policy funds (the ERDF, CF, ESF+ and JTF[15]), Member States benefit from: (i) the possibility to finance productive investments in enterprises other than SMEs[16] under the ERDF's STEP-dedicated priorities; (ii) higher co-financing rates of up to 100% at the level of the STEP-dedicated priority; and (iii) 30% of the allocation to STEP priorities being paid by the Commission as one-off pre-financing[17].

- Additional funding of EUR 1.5 billion for the European Defence Fund for projects that contribute to the STEP objectives.

- Under InvestEU, Member States can further support the identified critical technologies by allowing an additional transfer of up to 6% of the resources in their national recovery and resilience plans to their InvestEU Member State compartment[18].

The STEP Regulation introduced a new quality label, the STEP (Sovereignty) Seal, awarded by the Commission under the five Funds in STEP's remit that are directly managed by the Commission (i.e. 'under direct management'), namely the Innovation Fund[19], the European Defence Fund, Horizon Europe, the Digital Europe Programme, and EU4Health. The STEP Seal is to be awarded to projects that align with STEP objectives and meet the evaluation standards of STEP-relevant calls for proposals. The objective is to increase the visibility of these projects to help them attract cumulative or alternative public funding, including from cohesion policy funds and the Recovery and Resilience Facility (RRF), as well as funding from private investors.

Additionally, the STEP Regulation required the launch of a **STEP (Sovereignty) Portal**[20] to simplify access to all relevant information on EU funding for STEP, be it at EU, national or regional level. This new hub of the Commission provides – in an integrated manner – all relevant funding opportunities for project

---

[15] European Regional Development Fund, Cohesion Fund, European Social Fund Plus and Just Transition Fund.

[16] For less developed and transition regions, as well as more developed regions in Member States whose average GDP per capita is below the EU-27 average.

[17] Upon adoption of the STEP Regulation, 30% pre-financing was also paid to all JTF programmes.

[18] The resources transferred from the RRF to InvestEU are implemented according to the rules of InvestEU, allowing to sign contracts between implementing partners and the recipients up until end-2028 as set out in the InvestEU Regulation.

[19] The Innovation Fund is funded with revenues from the Emissions Trading System (ETS).

[20] See Strategic Technologies for Europe Platform - European Union (STEP).

promoters and includes a dashboard showcasing the projects awarded a STEP Seal for the benefit of private investors and public authorities.

Finally, the implementation of STEP is supported by a dedicated Commission team – the **STEP Task Force** – responsible for central coordination within a broad Commission network, and in support of the new network of **STEP national contact points**, which aims **to facilitate** implementation in Member States.

Intervention logic

The STEP intervention logic framing the purpose, actions and expected outcomes of the platform, is presented in Figure 1. This captures the consecutive steps of STEP from the initial needs to be addressed to the ultimate goals to be achieved.

The **STEP intervention logic** operates as follows: with increased focus of EU investment on strategic technologies and a **EUR 1.5 billion top-up** for the European Defence Fund, the Commission, supported by the network of STEP **national contact points** and by managing authorities, coordinates the **reallocation of EU financial instruments across 11 EU funding programmes** to align with STEP objectives.

These 11 instruments fall under three management modes:

- **direct management** by the Commission;

- **shared management** between the Commission and Member States; and

- **indirect management** through implementing partners.

As a result, **calls for proposals** are launched at both **EU and national levels** to fund STEP-relevant projects. For direct management programmes, and in the selection process of the relevant calls, the Commission also awards the **STEP Seal** to high-quality projects (see Section 4.1 on effectiveness). This quality label, introduced above, enables projects to benefit from special conditions when seeking additional or alternative funding from national sources, including **cohesion policy funds** and the **RRF**. For example, under the ERDF and the ESF+, such projects may be awarded additional or alternative funding *directly*, i.e. via a simplified/fast-track selection process.

FIGURE 1: INTERVENTION LOGIC OF STEP

EU intervention　　　　　Short term　　　　　Medium Term

Needs	Objectives	Inputs	Activities	Outputs	Results & Impacts

Needs

Fragmentation of EU Funding
Prior to STEP, multiple EU programmes operated separately, limiting coordination and full efficiency

Strategic dependencies
The EU faced increasing technological and industrial dependencies on non-EU countries, especially in digital, clean tech, and biotech sectors

Global competitiveness & economic pressures
Post-pandemic recovery, supply chain disruptions, and energy costs highlighted the need for targeted investment

Labour & skills shortages
High-tech sectors faced workforce gaps, slowing innovation and production

Objectives

Supporting the development or manufacturing of critical technologies (clean tech, deep and digital tech and biotech) safeguarding and strengthening their respective value chains

Addressing shortages of labour and skills
in critical sectors

Inputs

Policy input
STEP Regulation establishing **priorities, obligations and new tools** to implement STEP across 11 EU funding programmes

Policy incentives for cohesion policy
E.g. support to non-SMEs under ERDF

Financial Inputs
- **EUR 1.5 billion** to the European Defence Fund for projects that contribute to the STEP objectives

Financial incentives for cohesion policy
E.g. 100% co-financing and 30% pre-financing

Institutional input
Coordination via the **STEP Task Force** and the **STEP national contact points**

Activities

Pooling of EU Funding

Direct management
Re-programming calls for proposals to support STEP objectives and to award the STEP Seal

Shared management
Revision of cohesion policy funds prog. to include STEP and benefit from:
- New/facilitated support to large enterprises
- 30% pre-financing
- Up to 100% co-financing

RRF & Indirect Management
Inclusion of projects with a STEP Seal in national RRPs and contributions to InvestEU MS compartments with 6% of the RRF envelope

Digital infrastructure
Set-up of the STEP Portal and integration with EC IT systems (incl. the Funding & Tender portal)

Outputs

190 STEP Seal awarded

EUR 9.5 billion re-programmed to STEP under the 5 programmes under direct management

EUR 6.3 billion across 11 Member States re-programmed to STEP under the ERDF, CF, ESF+, JTF

Projects awarded the STEP Seal included in the RRPs of selected Member States and activation of InvestEU MS compartments by interested MS

Launch and publication of 70 funding calls across Commission and national programmes, **listing of 190 STEP Seal-awarded projects** and publication of **NCP contacts** on the **STEP Portal**

Results & Impacts

Increased financial support for high-impact projects, leading to greater investment in critical technology sectors

Greater private-sector participation ensuring long-term sustainability of investments

More efficient EU funding mechanisms improving coordination across different funding instruments

Improved EU-wide coordination on technology investment reducing geographical disparities in funding allocation

Accessible and user-friendly information on the funding opportunities available under the EU budget

Strengthening Europe's technological and industrial leadership by reducing strategic dependencies, enhancing competitiveness, and ensuring resilience in high-tech innovation

Source: STEP Task Force elaboration

2.2 Point of comparison

STEP is not a new spending programme, but rather a coordination instrument meant to mobilise higher amounts of financial support for the priority areas through **a more coordinated, effective, efficient and targeted use of EU funds.** Hence, there is no immediate point of comparison in terms of a similar initiative under the EU budget.

At the time of entry into force of STEP, all 11 EU funding instrument contributing to STEP were already providing support to the strategic sectors identified under STEP, albeit to varying degrees and with limited coordination among them. These programmes pursue multiple objectives beyond those introduced by STEP. They are listed below.

- **Cohesion policy** is the EU's main investment policy, targeting all regions and cities to support business competitiveness, economic growth, sustainable development, improvement of people's quality of life, and job creation[21]. It operates within pre-allocated budgets for each Member State, who are in charge of implementation. Cohesion policy contributes to the social, economic and territorial cohesion in the EU and aims to correct imbalances between countries and regions. It delivers on the EU's political priorities, especially the green and digital transitions. Its investment firepower includes a total of EUR 225 billion under the European Regional Development Fund (ERDF), EUR 39 billion under the Cohesion Fund (CF), EUR 20 billion under the Just Transition Fund (JTF) and EUR 95 billion under the European Social Fund Plus (ESF+)[22].

- **The Recovery and Resilience Facility** (total financial envelope of EUR 650 billion in grants and loans as included in the national recovery and resilience plans (RRPs) as of mid-October 2024) is a temporary performance-based instrument launched in 2021 and running until December 2026 that finances reforms and investments in Member States for the EU to emerge stronger and more resilient from the COVID-19 pandemic. It also operates with pre-allocated national envelopes for grants and loans. RRPs had to allocate at least 37% and 20% of their envelopes to green and digital measures, respectively[23].

- **The Innovation Fund** is managed by the Commission and supports the European industry's transition to climate neutrality for 2020-2030. The fund is financed through revenues generated by the EU Emissions Trading System (ETS). Although its financial capacity varies in line with fluctuations in the carbon price, it is currently estimated at about EUR 40 billion for 2020-2030, calculated by using a carbon price of EUR 75 per tonne of CO_2. The fund supports innovative low-carbon technologies, including the manufacturing of these technologies, for instance to reduce the carbon footprint of energy-intensive industries and develop carbon capture and storage, innovative renewable energy generation, or energy storage[24].

---

[21] See Inforegio - Cohesion Policy.

[22] See New Cohesion Policy.

[23] See Recovery and Resilience Facility.

[24] See Climate Action.

- **InvestEU** is a programme managed indirectly via the implementing partners of the Commission. It contributes both to the green transition and to digitalisation, with a total EU guarantee of EUR 26.2 billion[25][26]over the 2021-2027 MFF period. Two of its windows are especially relevant for STEP: (i) the research, innovation and digitisation window (EUR 6.6 billion), supporting R&D, technology transfer, and scaling up of innovative companies[27][28]; and (ii) the sustainable infrastructure window (EUR 9.9 billion), focusing on clean transport, renewable energy, energy efficiency, and digital connectivity. At least 30% of total investments across all policy windows and at least 60% of those under the sustainable infrastructure window target climate objectives.

- **Horizon Europe** is a flagship EU programme managed by the Commission to support research and innovation with a total budget of EUR 93.5 billion over the 2021-2027 MFF period[29]. In particular, the **European Innovation Council (EIC)** under the 'Innovative Europe' pillar of Horizon Europe is Europe's flagship innovation programme with a budget of EUR 10.1 billion for 2021-2027. The EIC plays a pivotal role in supporting the scale-up of critical breakthrough and deep tech innovations across Europe. Its mission is to turn cutting-edge science and technology into globally competitive solutions, driving economic growth and strengthening the EU's technological sovereignty. Pillar II 'Global Challenges and European Industrial Competitiveness' also supports strategic technologies.

- **The Digital Europe Programme**, with a total budget allocation of EUR 8.1 billion over the 2021-2027 MFF period, supports digital transformation while strengthening the EU's resilience and digital sovereignty[30].

- **The European Defence Fund**, with an initial budget of nearly EUR 7.3 billion for 2021-2027, supports research and development of state-of-the-art and interoperable defence technology and equipment. As mentioned, the STEP Regulation provided a EUR 1.5 billion budgetary reinforcement for the EDF for STEP actions[31].

- **EU4Health** invests EUR 4.4 billion over 2021–2027 to build stronger, more resilient health systems and improve health across the EU. It supports crisis preparedness, disease prevention, healthcare workforce capacity, digital health, and access to medicines and medical devices[32].

The main benchmark for assessing the implementation and expected impact of STEP is the counterfactual scenario, i.e. what would have happened without it.

In the absence of STEP, support for the strategic technologies identified would likely have continued on the same trend observed during the initial years of the 2021-2027 MFF. This level of support cannot

---

[25] Based on the InvestEU Regulation, the amount of the EU guarantee is EUR 26.2 billion. However, the total amount of guarantee with top-ups and MS contributions currently stands at EUR 30.15 billion.

[27] See InvestEU.

[29] See Research and Innovation.

[30] See The Digital Europe Programme.

[31] See Defence Industry and Space.

[32] See EU4Health.

be easily quantified, including because at its inception, the MFF did not feature a common definition of what constitutes 'strategic technologies'. It is this drawback, however, that offers the opportunity of a qualitative comparison. The counterfactual provides a benchmark for evaluating STEP's impact: a context in which EU programmes under direct management operated independently and without coordination with the programmes under shared and indirect management and where, especially given the narrow and focused scope of STEP, EU funding programmes aligned only partially and incidentally with its priorities.

The main goal of STEP, and the dimension against which its effectiveness should be measured, was to reprioritise the EU budget, adapting it to changing political and technological needs. At the start of the 2021-2027 MFF, many EU programmes set predefined priorities, which, in the absence of STEP, would have likely remained largely stable throughout the period. However, since 2021, the EU's strategic priorities have shifted significantly - particularly in light of geopolitical tensions, supply chain vulnerabilities, and the accelerating pace of technological change. STEP responds to these changing circumstances by introducing incentives and tools for dynamic reprioritisation, stimulating the redirection of existing EU funds towards critical and emerging technologies. The complexity of adjusting funding allocations halfway through the programming period should not be underestimated, especially given that 90% of resources under the 2021-2027 MFF and NextGenerationEU – in particular its main instrument, the RRF – are already pre-allocated to specific objectives, programmes, or national envelopes[33].

Another dimension along which to measure the impact of STEP is the ease with which relevant EU funding information can be found. Before STEP, applicants – particularly SMEs – had to navigate a fragmented funding landscape. While efforts to consolidate grant opportunities through the Funding & Tenders Portal were welcome, the portal still does not include programmes under shared management. Survey data from 2024 (see Annex V on stakeholder consultations) show that users rated 'ease of finding funding information' at just 5/10, with 33% of them relying on paid consultants to navigate the complex universe of EU funding opportunities.

HOW HAS THE SITUATION DEVELOPED OVER THE EVALUATION PERIOD?

3.1 Development of the political context

STEP was proposed by the Commission in June 2023 as part of the mid-term review of the 2021-2027 multiannual financial framework (MFF), as a response to growing concerns about the EU's technological and industrial sovereignty. Institutional negotiations in the European Parliament (Committee on Budgets and Committee on Industry, Research and Energy) and the Council (under the Belgian Presidency) took place in January and February 2024. Compared to the initial Commission proposal of EUR 10 billion of budgetary reinforcements for a number of programmes covered by STEP, and the EUR 13 billion proposed in the European Parliament's position, a EUR 1.5 billion budgetary reinforcement for the European Defence Fund was adopted. The main aspects of the Commission

---

[33] See European Commission (2023), Annual management and performance report for the EU budget, Financial year 2022. Volume 1, COM(2023) 401 final.

proposal were maintained, including the STEP (Sovereignty) Seal, flexibilities for cohesion policy funds, the requirement for Member States to consider STEP Seal projects as priority when revising their recovery and resilience plans, and the provision of equity-only support via the European Innovation Council. The final agreement maintained the scope of STEP – covering development and manufacturing, explicitly excluding deployment – and its focus on the three strategic technologies, while adding associated services that are critical and specific to the manufacturing/development of such strategic technologies.

At the beginning of its term of office in December 2024, the new College of Commissioners and the Commission President identified strengthening the EU's prosperity and competitiveness as their priority for 2024-2029[34]. In particular, the Political Guidelines[35] further underscore the need for Europe to accelerate its transformation to stay ahead in the global race for climate neutrality and tech leadership, harnessing its strengths while removing structural barriers to competitiveness. Among the EU's planned actions, a **European Competitiveness Fund** will be proposed as part of the EU's long-term budget to strengthen the EU's investment capacity in strategic technologies[36].

STEP is well aligned with the priorities of the current mandate.

The Competitiveness Compass, adopted by the Commission in January 2025, provides a roadmap for boosting competitiveness, by taking key measures to implement three transformational imperatives: (i) closing the innovation gap; (ii) a joint roadmap for decarbonisation and competitiveness; and (iii) reducing excessive dependencies and increasing security. The Competitiveness Compass builds on the recommendations from multiple expert reports, including Draghi's report on the future of European competitiveness. It highlights investment as one of the four key drivers of long-term competitiveness and emphasises the need to mobilise public and private capital to support innovation, strategic technologies and the green and digital transitions.

In February 2025, the Commission presented the Clean Industrial Deal, a strategic push to boost Europe's global competitiveness by simplifying regulations, accelerating green investments, and ensuring access to affordable energy and raw materials – empowering industries to lead in the clean tech transition while creating quality jobs and cutting strategic dependencies. The **Critical Medicines Act**, proposed by the Commission in March 2025, aims to increase the availability, supply and production of essential medicines in the EU, reducing dependency on external sources and addressing supply chain vulnerabilities. In March 2025, the Commission also unveiled its strategy for the **Savings and Investments Union**, which seeks to improve Europeans' access to capital markets and provide better financing options for companies, thus increasing people's wealth and boosting EU economic growth and competitiveness. In April 2025, the Commission put forward the **AI continent action plan**, aiming to ensure the EU becomes a global leader in artificial intelligence (AI).

---

[34] Statement at the European Parliament plenary by President Ursula von der Leyen, 18 July 2024.

[35] See the Political Guidelines for the next European Commission.

[36] See COM(2025) 46 final.

3.2 State of play of STEP implementation

As of 31 March 2025, the implementation of STEP was advancing across all main areas, though progress is uneven.

Member States had demonstrated strong interest in reprogramming cohesion policy funds to support STEP objectives. By end-March 2025, 38 cohesion policy programme amendments for STEP had been submitted by France, Germany, Latvia, Lithuania, Romania, Italy, Spain, Denmark, the Netherlands, Austria and Poland and adopted by the Commission, redirecting approximately EUR 6.3 billion in funding to STEP priorities. Germany, Denmark, Italy, Latvia and Romania have already launched STEP-related calls for proposals, with a combined budget of almost EUR 2 billion, and project selection is under way.

Additionally, 60 calls for proposals and two calls for tenders had been launched under five directly managed EU programmes, including the Innovation Fund (calls opened 2024), Horizon Europe, the European Defence Fund, EU4Health, and the Digital Europe Programme[37,38]. These calls represented EUR 9.5 billion in available funding[39], with over EUR 5 billion already allocated to projects. Most of this funding has been directed to clean technologies under the Innovation Fund. See Annex VI for a breakdown of the calls by funding programme.

The Commission had awarded 190 STEP Seals to projects that align with STEP objectives. These high-quality projects are eligible for additional or alternative funding through other EU instruments, although none had received any yet. See Annex VI for a breakdown of the Seals by funding programme.

- No Member State had amended its RRP to support a project that had been awarded the STEP Seal. Similarly, no Member State had used the increased possibility to transfer RRF resources to the InvestEU Member State compartment for STEP priorities.

Launched in April 2024, the STEP (Sovereignty) Portal has become a key tool for accessing STEP-related information. As of the end of March 2025, it featured over 70 funding opportunities, a database of STEP Seal projects, and contact details for STEP national contact points. Since early 2025, the portal has attracted around 10 000 unique visitors each month. To further improve the user experience, preliminary development is under way for an **AI-powered simulator and chatbot to assist project applicants** in identifying eligible funding opportunities.

3.3 Evolution in STEP implementation over the evaluation period

Following the Commission proposal of June 2023 to set up STEP, a dedicated STEP Task Force was created within the Commission's Directorate-General for Budget.

Implementing STEP across programmes with different rules, timelines and legal bases and across Member States was a considerable operational challenge, requiring large coordination and clarification efforts. Thanks to constant dialogue and feedback, the task force and the many Commission

---

[37] On 1 April 2025, the Digital Europe Programme published six additional STEP-relevant topics for a total budget of EUR 208 million. These include three topics in the field of the Digital Innovation Hubs and three topics on digital skills that were published between the 3 April and the 14 April. For further information see Get Funding.

[38] On 3 April 2025, nine STEP-relevant topics were launched by the Circular Bio-based Europe Joint Undertaking under Horizon Europe, for a total budget of EUR 150 million. For further information see Get Funding.

[39] Excluding the budget of the procurement calls under EU4Health.

services involved in STEP, in particular the directorates-general managing the 11 funding instruments, have taken various steps, as described below, to improve the implementation of STEP within the remit of the STEP Regulation.

Increasing clarity on STEP's scope and implementation modes

Since the set-up of STEP, the Commission has produced a range of guidance documents to facilitate its implementation.

In May 2024, pursuant to Article 2(7) of the STEP Regulation, the Commission adopted a Communication in the form of a Guidance Note[40], providing practical direction to ensure consistent and effective implementation across funding programmes. The Guidance Note: (i) clarifies STEP's objectives, as defined in Article 2 of the Regulation; (ii) provides examples of supported sectors and includes a non-exhaustive list of eligible technologies; and (iii) elaborates on the conditions for technologies to be considered 'critical'. Stakeholders, in particular STEP national contact points and national managing authorities of cohesion policy programmes, broadly welcomed this initiative that clarified the scope of applicability of STEP.

Additionally, in June 2024, the Commission prepared a brochure[41] **for STEP national contact points and managing authorities and published it on the STEP (Sovereignty) Portal. It provides stakeholders with practical aspects to facilitate the implementation of STEP at national and regional level**, specifically in the context of cohesion policy and the RRF. During the first year of STEP implementation, and thanks to the support of the relevant Commission services, the brochure was enriched to provide guidance on the most pressing questions, including on the treatment of projects with multiple beneficiaries/promoters from different countries / Member States under cohesion policy, and the State aid regulatory provisions applicable to STEP projects. **In June 2024, the Commission amended the Guidelines on regional State aid**[42] **to allow higher maximum aid intensities in assisted areas for projects falling within the scope of STEP.**

Finally, in July 2024, the Commission also **updated the Guidance on recovery and resilience plans**[43] **to clarify the procedures for amending RRPs**, including with respect to the allocation of resources to STEP objectives.

Advancing STEP through stronger cooperation

The coordination effort to implement STEP across programmes and Member States required the Commission to set up two main networks. First, an **internal network of 14 Commission directorates-general involved in STEP**, in particular those managing the 11 funding instruments listed in the STEP Regulation. This internal network met nine times over the reporting period and engaged very actively and regularly throughout the year. Second, the **network of STEP national contact points**, appointed by all Member States except Ireland, chaired by the Director for Revenue and MFF of the Directorate-

---

[40] Commission Communication C/2024/3209, Guidance Note concerning certain provisions of Regulation (EU) 2024/795 establishing the Strategic Technologies for Europe Platform (STEP), 2024, available at: https://eur-lex.europa.eu/eli/C/2024/3209/oj.

[41] See Brochure for STEP National Contact Points and Managing Authorities.

[42] See Communication from the Commission supplementing the Guidelines on regional State aid with regard to the Strategic Technologies for Europe Platform (STEP).

[43] See Commission Notice Guidance on recovery and resilience plans.

General for Budget. This network has met five times already, including once in person in Brussels. At these meetings, national contact points shared national experiences, and the Commission clarified STEP's objectives and shared updates on awarded STEP Seals. A second in-person meeting was held in May 2025 to further strengthen coordination.

Delivering a user-centric one-stop shop

In accordance with Article 6 of the STEP Regulation, on 29 April 2024, the Commission launched the **STEP (Sovereignty) Portal to serve as a one-stop shop for project applicants, public authorities, and investors, providing streamlined access to information on EU funding for strategic technologies under STEP**. A revamped version was later released in September 2024, featuring a user-centric structure tailored to the needs of different user groups. It introduced several new tools, including a **'Get Funding' dashboard**, a **map of STEP national contact points**, the **dashboard of the STEP Seals**, and updates on regional cohesion policy funding. The technical developments of the STEP Portal are inspired by the continuous feedback received from stakeholders, including but not limited to the **survey on access to EU funding** carried out in autumn 2024 (see Section 4.3 on efficiency and Annex V on stakeholder consultations).

Strengthening ties with stakeholders and industry

To better understand the needs of all those involved in the EU funding landscape in relation to STEP, the Commission conducted extensive consultations with research and industry stakeholders throughout the first period of implementation of STEP. Leveraging established networks and platforms (such as the Industrial Forum, the Enterprise Europe Network, and the European Cluster Collaboration Platform) as well as sectoral organisations listed in the EU Transparency Register, the Commission primarily engaged with industry players, but also consulted public institutions, including EU regional offices, European Institute of Innovation and Technology (EIT) Knowledge and Innovation Communities, regional networks, investors, and other stakeholders. Around half of the stakeholders consulted operate across multiple STEP sectors, with strong representation from the clean tech sector. The Commission also engaged with EU-wide organisations and events – such as EuroChambres, Hannover Messe, and the SME Assembly under the Hungarian Council Presidency – as well as stakeholders from specific Member States during technical missions to Estonia, Latvia, Lithuania, Romania, Slovenia, Greece and Portugal (see Annex V on stakeholder consultations).

EVALUATION FINDINGS

4.1 Effectiveness

This section assesses STEP's mid-term progress towards the specific objectives set out in Article 2(1) of the STEP Regulation: (a) supporting the development or manufacturing of critical technologies across the EU, or safeguarding and strengthening their respective value chains in digital technologies, clean and resource-efficient technologies, and biotechnologies; and (b) addressing shortages of labour and skills critical to quality jobs supporting objective (a). **It also evaluates the feasibility of bringing together all relevant EU funding opportunities in a single portal**, and of setting up a **simulator to guide project promoters – particularly SMEs — towards suitable EU funding opportunities for their projects**.

While significant progress has been made in mobilising EU funding towards STEP priorities, it is too early to draw firm conclusions about the extent to which STEP has achieved its core objectives. The Regulation setting up STEP clarifies that the initiative is meant to 'mobilise resources within the existing Union programmes' and supports this with a set of tools, including the STEP (Sovereignty) Portal and the STEP (Sovereignty) Seal. As such, and as set out in the intervention logic, STEP operates mainly by reprogramming EU funding programmes towards its objectives. Where available, early evidence and qualitative feedback are used to assess the 'actions' performed under STEP and the achievement of its 'outputs'. The lag between resource (re)allocation and observable results thereof makes it difficult to provide a comprehensive assessment of the 'results' of STEP at this stage**.**

Financial support to STEP objectives under programmes under direct management

This section presents the progress in reprogramming resources of the five STEP-relevant EU funding programmes under direct management in the first 13 months of implementation of STEP. Overall, STEP has been effective in steering resources towards strategic technologies identified in the STEP Regulation. This is noteworthy, considering that the adopted STEP Regulation provided no specific financial incentives in this respect, except for a top-up of EUR 1.5 billion for STEP priorities under the European Defence Fund (EDF).

At the time of the adoption of the STEP Regulation, the **investment potential of STEP under directly managed programmes** was difficult to evaluate and could have been expected to be limited to the additional funding for the EDF. **This low expectation was largely exceeded in just over one year of STEP implementation**.

In terms of programmed funding, by the end of March 2025, 60 STEP-relevant calls for proposals had been launched [44] under the five programmes under direct management. **A total budget of EUR 9.5 billion[45] was initially allocated to support technologies relevant to STEP under these calls**, with the bulk of the funding directed towards clean and resource-efficient technologies through the Innovation Fund, which by design is fully aligned with the scope of STEP. This amount also includes the new **dedicated STEP Scale-Up call** of the European Innovation Council (EIC) launched in October 2024 with an initial budget of EUR 300 million for 2025 (providing up to EUR 30 million in investments per company), projected to reach EUR 900 million by 2027; and five STEP-relevant EIC Accelerator Challenges calls for a total budget of EUR 250 million. The pie chart and table in Figure 1 display how much budget each programme has allocated to STEP priorities out of the mentioned EUR 9.5 billion.

FIGURE 1: BUDGET ALLOCATED TO ALREADY LAUNCHED STEP CALLS AS OF END-MARCH 2025, BREAKDOWN BY PROGRAMME

---

[44] Out of the 60 calls for proposals, at the time of the report, 26 were still open and accepting submissions. Additional topics will open for submission over the course of April, May and June 2025 under Digital Europe and Horizon Europe. For further information see Get Funding.

[45] This amount includes the EUR 208 million budget of six topics under Digital Europe (three in the field of the Digital Innovation Hubs and three on digital skills) that were launched over the course of April 2025 and nine STEP-relevant topics were launched in early-April by the Circular Bio-based Europe Joint Undertaking under Horizon Europe, for a total budget of EUR 150 million.
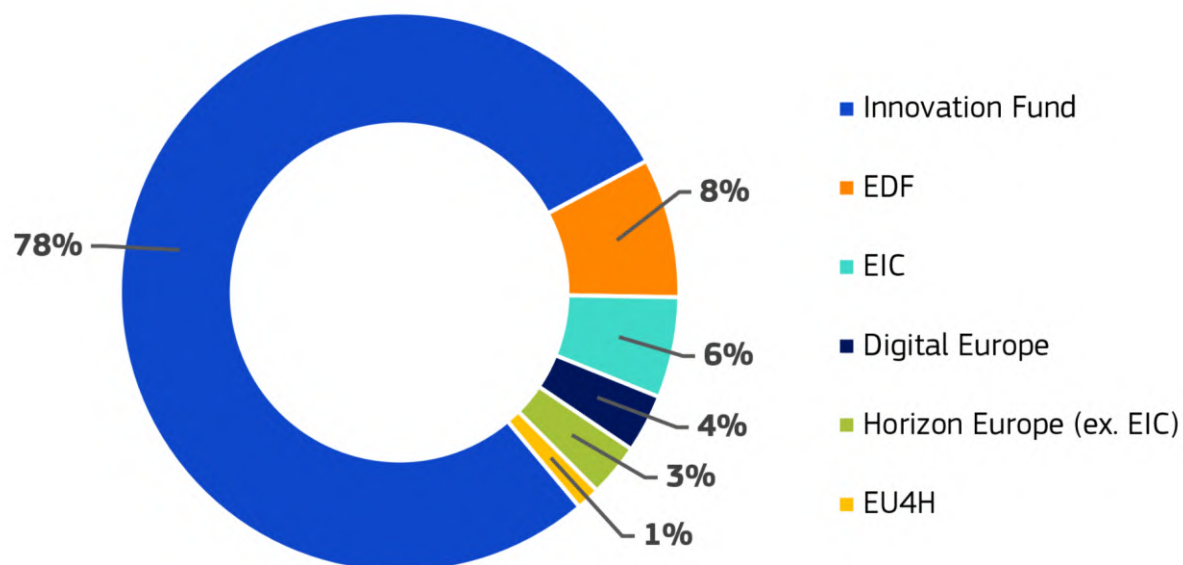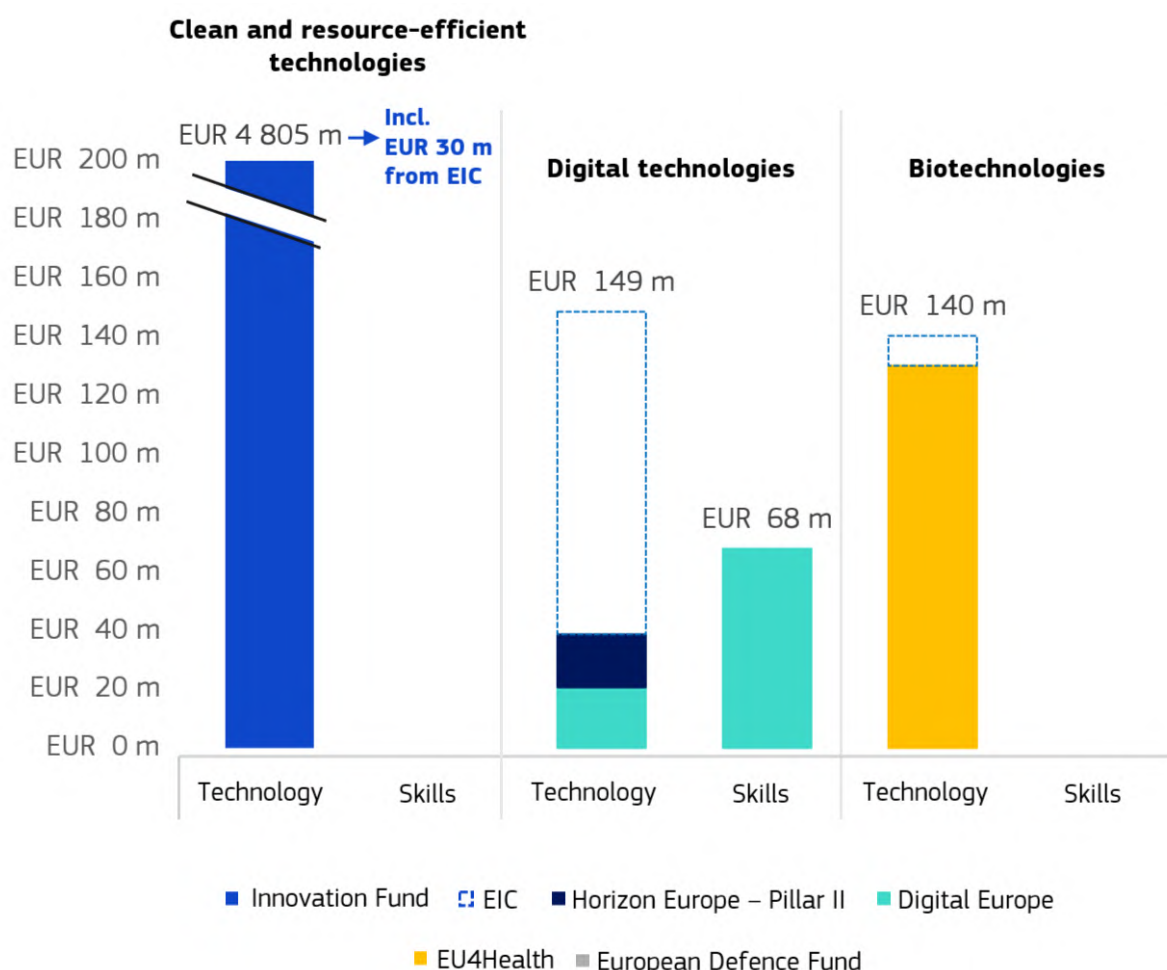
Source: Commission services' reporting

Programme	Budget in million EUR
Innovation Fund	7 400
EDF	762
EIC	550
Digital Europe	318
Horizon Europe (excluding EIC)	289
EU4Health	129
Total	**9448**

As regards already allocated funding, at the time of this report, the five programmes under direct management within the remit of STEP had **allocated around EUR 5.2 billion in funding**[46][47] **to selected projects,** with only EUR 68 million awarded to projects supporting the development of skills in the realm of digital technologies. See Figure 2 for the breakdown.

---

[46] This amount corresponds to the total amount awarded to the projects selected for funding under the Innovation Fund, Horizon Europe, the Digital Europe Programme and EU4Health. It may be adjusted upon the signing of the actual grant agreements, which could modify individual contributions, and cannot be reconciled with the EUR 9.5 billion of the previous paragraph, which refers to *ex ante* allocated budget (vs *ex post* funding awarded) under the STEP calls launched by March 2025 under all five directly managed programmes in STEP's remit.

[47] This amount includes EUR 150 million from the EIC that is exceptionally included in the scope of the evaluation, despite projects having been selected on 3 April. Investments are pending authorisation by the Commission through the award decision and the ownership control assessment.

FIGURE 2: FUNDING AWARDED TO SELECTED PROJECTS UNDER STEP-RELEVANT CALLS UNDER DIRECT MANAGEMENT, BREAKDOWN BY SECTOR AND PROGRAMME[48]

Source: Commission services' reporting

These STEP-relevant projects are expected to be implemented over the next five to ten years, progressively contributing to strengthening EU manufacturing capacity and addressing skills shortages in the three strategic technology areas. Given the long-term nature of these investments, it is too early at present to provide a quantitative assessment of the extent to which the reprogrammed financial resources under the directly managed programmes are effectively supporting these objectives.

Moreover, additional resources are expected to be reprogrammed and awarded to STEP projects as further STEP-relevant calls for proposals are launched and evaluated, in line with the developing work programmes of the relevant funding instruments. Therefore, the figures reported as of end-March 2025 regarding budget allocations and awarded funding (EUR 9.5 billion and EUR 5.2 billion, respectively) should be understood as a snapshot in a dynamic and ongoing process. Similarly, the currently limited volume of resources awarded to skills-related projects should be seen in light of the fact that, so far, only

---

[48] The funding amounts under the EIC (totalling EUR 150 million) are exceptionally included in the scope of the evaluation, despite projects having been selected on 3 April. Investments are pending authorisation by the Commission through the award decision and the ownership control assessment. An amount of EUR 15 million falls in two technology areas (digital and clean). It is allocated to the primary sector of activity of the relevant project: digital technologies.

one topic on skills has been evaluated: the 'Specialised Education Programmes in Key Capacity Areas' under the Digital Europe Programme[49]. More skills-focused initiatives can be expected to follow as STEP implementation continues.

Financial support to STEP objectives under cohesion policy

The STEP Regulation introduced flexibilities and incentives to encourage Member States to reprioritise their cohesion policy programmes[50] by adding dedicated STEP priority axes.

As of 31 March 2025, STEP was on track to deliver a successful mobilisation of cohesion policy resources. A total of 38 STEP-related programme amendments had been approved by the Commission, representing commitments to implement STEP-related investments of EUR 6.3 billion in cohesion policy funding from the European Regional Development Fund (ERDF), the European Social Fund Plus (ESF+), and the Just Transition Fund (JTF) in 11 Member States. Investments in skills development account for about 15% of the allocation[51]. See Annex VI for a complete overview of the cohesion policy programmes amended for STEP, across Member States and regions.

FIGURE 3: COHESION POLICY FUNDING REPROGRAMMED FOR STEP, BREAKDOWN BY MEMBER STATE AND FUND
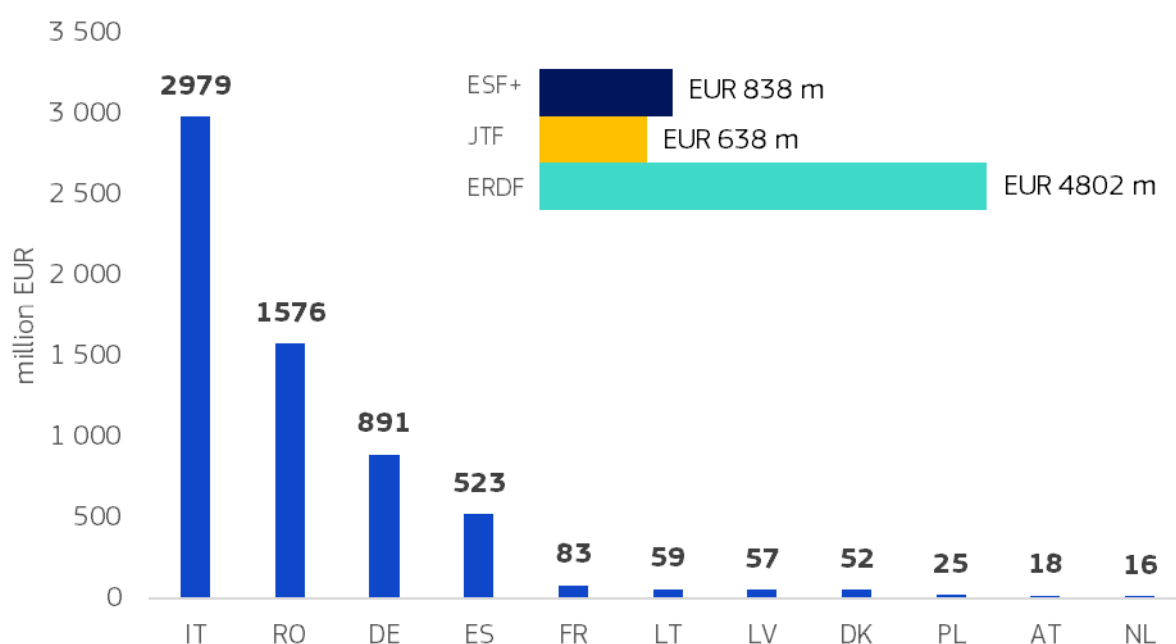
Source: Member States' reporting

---

[49] Three further topics, focusing on digital skills, for a total budget of EUR 27 million, were launched under Digital Europe on 14 April 2025.

[50] The main flexibilities and incentives introduced by STEP for cohesion policy included: (i) the limited possibility to finance productive investments in businesses other than SMEs under the European Regional Development Fund's STEP-dedicated priorities; (ii) higher co-financing rates of up to 100% at the level of the STEP-dedicated priority; and (iii) 30% of the allocation to STEP priorities being paid by the Commission as one-off pre-financing. Upon adoption of the STEP Regulation, 30% pre-financing was also paid to all JTF programmes. On 1 April 2025, the Commission published a legislative proposal with targeted amendments to the regulatory framework of the cohesion policy funds that increases or extends incentives to reprogramming under cohesion policy. For example, restrictions linked to STEP as regards the ceiling set at 20% of the ERDF/CF allocation for reprogramming are proposed to be removed, the deadline for submitting STEP amendments benefiting from the additional one-off pre-financing of 30% is extended to end-December 2025, and the support to businesses other than SMEs under the ERDF for STEP is now extended to cover all EU regions.

[51] Data point accounting only for programmes with dedicated STEP priority axes or known amounts dedicated to STEP.

It is too early to assess the effectiveness of STEP under cohesion policy, which will ultimately depend on whether all funds allocated to STEP materialise into projects selected for support. As of the end of March 2025, calls for proposals had been issued worth almost EUR 2 billion. Out of this, EUR 148 million had been allocated to actual selected projects. Under cohesion policy, project selection under the allocated funds will take place gradually in the next months and years – depending on the adoption dates of the STEP programme amendments, on the planned launch and completion dates, and on the nature of the calls.

At the same time, several complexities have been observed in the implementation of STEP under cohesion policy. These issues sometimes arise from regulatory and structural differences between the programmes within STEP's scope or are related to the design of the platform itself.

Firstly, the ultimate absorption of committed resources across Member States will depend on the availability of a pipeline of eligible STEP-relevant projects in the regions and Member States. The mismatch between the locations of (i) the projects, (ii) the financial resources and (iii) the incentives might represent a structural obstacle for STEP.

- **The large number of Seals awarded confirms the existence of such a well-established pipeline across the EU.** By March 2025, 179 STEP Seals had been awarded (with 11 additional STEP Seals awarded under the EIC on 3 April). While cohesion policy funds may support any project that meets STEP eligibility criteria and complies with cohesion policy rules, the STEP Regulation explicitly identifies the STEP Seal as a tool to facilitate the selection process under cohesion policy.

- **There might be a mismatch between the geographic location of the STEP Seal projects and the distribution of cohesion policy funds.** All Member States, except for Lithuania, have at least one beneficiary who has been awarded the STEP Seal. However, most STEP Seal projects are located in regions classified as 'more developed' under cohesion policy definitions (see Figure 4 and Table 1), which traditionally receive a much lower share of cohesion policy resources than 'less developed' and 'transition' regions do.

- Additionally, the increased maximum aid intensities introduced for STEP investments (even in absence of a Seal) by Section 7.4.3a. of the Guidelines on regional State aid apply only to 'initial investments' (which is already a narrower definition than 'productive investments' under STEP) in the less advantaged regions of Europe ('assisted areas', which are the geographical areas where companies can receive regional State aid to incentivise investments), in line with the principles of cohesion policy. Even though some 'productive investments' under STEP can be covered by other State aid provisions and guidelines (e.g., the Clean Industrial State aid Framework[52]), some managing authorities from 'more developed' regions have considered conditions attached to State aid rules in the field of regional aid to be an obstacle to their supporting of STEP-relevant manufacturing investments, including STEP Seal projects, carried out by large enterprises.

---

[52] See New State aid framework enables support for clean industry, announced in June 2025.

FIGURE 4.1: DISTRIBUTION OF STEP SEALS ACROSS SECTORS AND MEMBER STATES[53]
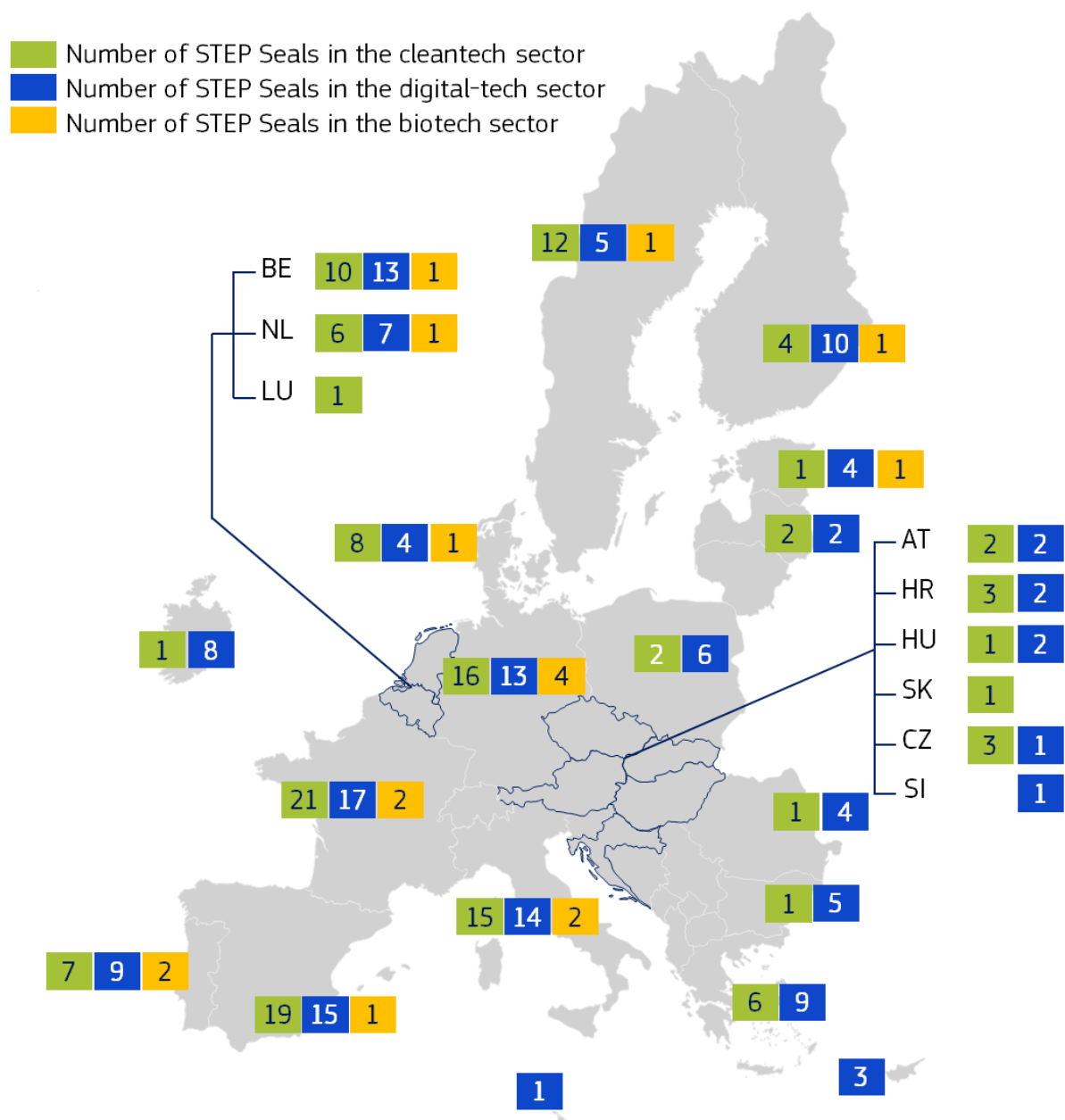
Source: Member States' reporting

---

[53] The map does not include STEP Seals awarded under the EIC as they were awarded after the 31 March 2025 cut-off date for this report.

FIGURE 4.2: DISTRIBUTION OF STEP SEALS ACROSS SECTORS AND MEMBER STATES

Member State	Total
FR	40
ES	35
DE	33
IT	31
BE	24
SE	18
PT	18
EL	15
FI	15
NL	14
DK	13
IE	9
PL	8
EE	6
BG	6
HR	5
RO	5
CZ	4
AT	4
LV	4
HU	3
CY	3
SK	1
LU	1
SI	1
MT	1
LT	0
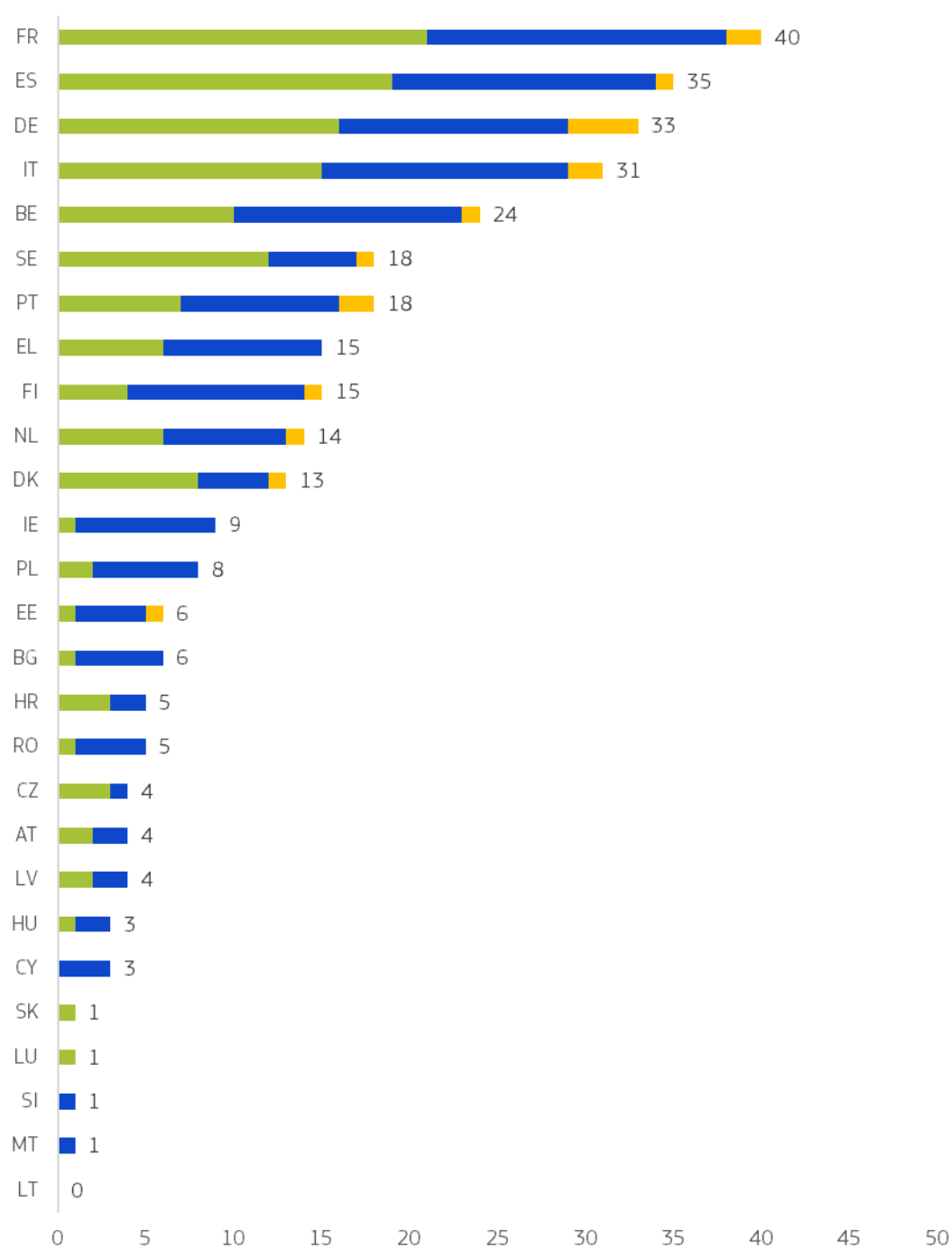
Date: 31 March 2025

Source: Member States' reporting

TABLE 1: CONCENTRATION OF STEP SEAL-AWARDED PROJECTS IN MORE DEVELOPED REGIONS BY MARCH 2025 (SEE ANNEX VI FOR THE FULL LIST)

Cleantech			
Country	**NUTS2**	**Region**	**#**
ES	**ES51**	Cataluña	5
IT	**ITC4**	Lombardia	5
BE	**BE21**	Prov. Antwerpen	4
FR	**FRD2**	Haute-Normandie	4
SE	**SE12**	Östra Mellansverige	4

Digital tech			
Country	**NUTS2**	**Region**	**#**
FR	**FR10**	Île-de-France	10
BE	**BE10**	Région de Bruxelles-Capitale / Brussels Hoofdstedelijk Gewest	9
FI	**FI1B**	Helsinki-Uusimaa	8
ES	**ES30**	Comunidad de Madrid	7
ES	**ES61**	Andalucía	6

Biotech			
Country	**NUTS2**	**Region**	**#**
DE	**DE21**	Oberbayern	2
FR	**FR10**	Île-de-France	2
PT	**PT1A**	Grande Lisboa	2
BE	**BE10**	Région de Bruxelles-Capitale / Brussels Hoofdstedelijk Gewest	1
BE	**BE21**	Prov. Antwerpen	1

Secondly, the STEP Regulation explicitly encourages 'cumulative funding' from several EU programmes via the STEP Seal, but in practice, this has proved elusive so far. A key goal of the STEP Regulation is to facilitate synergies, including the possibility for a project to obtain funding from programmes under both direct and shared management, and to leverage the evaluation/triage of projects carried out at EU level. For this, the Regulation introduces the STEP Seal, which can be awarded to high-quality projects that have been positively evaluated in a STEP-related call for proposals launched by the Commission, whether or not they receive actual financial support under said call.

In practice, such combination of resources may be challenging, particularly if a project seeks cohesion policy funding while already having received a grant under a Commission programme, due to a mix of structural characteristics of STEP itself and factors related to the instruments in the remit of STEP. **So far, no project with a STEP Seal has received either cumulative or alternative funding**.

- To address uncertainties as to how cumulating EU budget resources would work in practice, the Commission drew up a notice on synergies between Horizon Europe and the ERDF[54], which sets out a clear step-by-step guide and timeline for cumulating funding from a programme under direct management and a cohesion policy fund. Although workable in theory, the proposed solution does not cover the full spectrum of potential cases of

---

[54] See Synergies between Horizon Europe and ERDF programmes.

cumulation and places rather heavy demands on both the Commission and the managing authority, requiring very close coordination all the way from the launch of the calls for proposals – something that can rarely happen in practice.

- A first issue emerging when trying to implement cumulation of directly managed resources with cohesion policy funds relates to the **differing methodologies used by the Commission and granting authorities** to reimburse costs under the respective funding instruments. Under the programmes it manages directly, the Commission frequently uses 'simplified cost options' [55], which base reimbursements on cost estimations or on the achievement of predefined milestones. Aligning these methods with reimbursement systems that rely on actual incurred costs (frequently used under cohesion policy programmes) is challenging, particularly in terms of ensuring compliance with Article 63(9) of Regulation 2021/1060 (Common Provisions Regulation), which prohibits declaring the same expenditure under two EU instruments, and with Article 194(3) of Regulation 2024/2509 (Financial Regulation)[56], which prevents any cost item from receiving more than 100% of its funding from the EU budget (i.e. risk of overcompensation).

- An additional obstacle to cumulative funding (and, in this case, also alternative funding) concerns the fact that under certain directly managed programmes within STEP's scope, the STEP Seal is awarded to **actions that are implemented by large transnational consortia**, often comprising several participants across multiple Member States (and therefore also across multiple regions) as well as associated non-EU countries. This is an inherent characteristic of certain STEP-relevant funding instruments. It is, for example, the case for projects funded under the European Defence Fund and under the Pillar II of Horizon Europe[57]. This poses practical challenges for any potential uptake of such projects under cohesion policy, as it may be difficult to ensure alignment with the specific objectives and territorial scope of several regional or national cohesion programmes, particularly when cross-border actions are involved[58]. Even when such alignment would exist, a common pool problem might still emerge, whereby the managing authority might hold off from providing support due to concerns that their relevant counterparts in other Member States might not step in or, conversely, on the hope that they might be very invested in the cross-border project and might be prepared to support it in its entirety to ensure that it actually materialises.

- While the Commission has provided general guidance to the extent possible, managing authorities may still face challenges in supporting transnational projects – particularly when determining how and when to fund only the portion implemented within their own region or Member State. These challenges stem from the inherent complexity and variability of such

---

[55] Article 125 of the Financial Regulation provides that EU contributions under direct, shared or indirect management may take the form of financing not linked to the costs of the relevant operations based on: (i) the fulfilment of conditions set out in sector-specific rules or Commission decisions; or (ii) the achievement of results measured by reference to previously set milestones or through performance indicators.

[56] Article 194 of the Financial Regulation, although allowing for joint financing from separate budget lines, lays down that 'in no circumstances shall the same costs be financed twice by the budget'.

[57] See Article 10(4) of Regulation (EU) 2021/697 of the European Parliament and of the Council of 29 April 2021 establishing the European Defence Fund and Article 22 of Regulation (EU) 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe.

[58] See Article 63(4) of Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021.

schemes across different directly managed programmes, each with its own structure, objectives, duration, budget and financing arrangements.

Thirdly, the provisions of the STEP Regulation apply without prejudice to State aid rules. When Member States plan to finance projects having received a STEP Seal, they need to verify compliance with State aid rules. In some cases, Member States may simply make use of the General Block Exemption Regulation (GBER), which exempts Member States from the notification requirement and covers also areas of relevance for STEP, in particular research, development and innovation. Otherwise, depending on the nature of the STEP project, different State aid rules may apply (e.g. the framework for R&D and innovation, the Clean Industrial State aid Framework, regional aid guidelines, climate, environmental protection and energy State aid guidelines). While projects awarded the 'Seal of Excellence' benefit from specific provisions allowing aid measures under the General Block Exemption Regulation (GBER) (such seals are only awarded to excellent SME R&D projects requiring aid amounts up to EUR 2.5 million[59]), there is no equivalent provision for STEP Seals, as these are awarded to a large variety of projects under different programmes and based on award criteria that can be very different from one call to another. As a result, the State aid treatment of STEP projects will depend on the size and type of projects concerned.   While the Commission has provided guidance on the relevant types of State aid rules per type of project and has established mechanisms to facilitate the State aid assessment in some cases (e.g. 'grant-as-a-service'[60]), the absence of any specific State aid treatment for STEP projects[61] has been mentioned by stakeholders as one aspect that should be reviewed (see Annex V on stakeholder consultations). The absence of a specific exemption in the GBER for the STEP Seal, similar to that for the Seal of Excellence under Article 25a, may diminish the fast-tracking benefits otherwise associated with the STEP Seal, as conducting a specific assessment per project on the applicable State aid rules and on the maximum possible aid is a complex and time-consuming process, including because of the need for managing authorities to sometimes involve other national entities, e.g. those in charge of competition.

Some of the difficulties perceived by some public and private stakeholders were addressed by the recent legislative proposal by the Commission as part of the mid-term review[62] of the cohesion policy funds. This proposal includes additional facilitation and incentives for Member States to further support investments contributing to STEP objectives.

Financial support to STEP objectives under the RRF and InvestEU

As of 31 March 2025, STEP had not yet succeeded in mobilising resources under the Recovery and Resilience Facility (RRF) and InvestEU. No recovery and resilience plan had been amended to include a

---

[59] See Articles 25, 25a and 25b of Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty.

[60] The Commission has developed the concept of 'Grants-as-a-Service' according to which Member States can implement State aid schemes specific to support projects having passed the evaluation process of the Innovation Fund (which includes projects awarded a STEP Seal and targets in particular projects in industrial decarbonisation, energy efficiency and energy generation). Provided that the scheme fulfils certain conditions that build upon the identified synergies between the Innovation Fund and the State aid assessment, the scheme can be approved under the Clean Industrial Deal State Aid Framework which will allow the Commission to assess swiftly. The Member States have not yet made use of this possibility.

[61] Except in cases of a so-called double award, where a project is awarded both a Seal of Excellence and a STEP Seal (which can occur in the case of EIC Accelerator Challenges).

[62] See EUR-Lex - 52025PC0123 - EN - EUR-Lex.

STEP Seal-awarded project, and no Member State had made use of the increased possibility to allocate funds to the InvestEU Member State compartment for STEP-relevant investments (STEP MS-C)[63].

The STEP Regulation amended the RRF[64] and InvestEU[65] Regulations to introduce options[66] for Member States to consider STEP priorities within the two programmes. This was intended to unlock a strong investment potential, mainly driven by the possibility to contribute to the InvestEU Member State compartments. However, it is important to note that these options are voluntary and not accompanied by additional incentives, in contrast with those provided under cohesion policy.

Consequently, the limited mobilisation of STEP-related funding under the RRF may reflect a broader reluctance by Member States to reallocate resources through these channels.

The adoption of the STEP Regulation more than halfway through the implementation of the time-limited RRF did not encourage Member States to use the opportunities offered under the RRF and InvestEU. The slow uptake of these opportunities, particularly in comparison to cohesion policy mobilisation, may be due to several factors. **Member States are primarily focused on implementing their current recovery and resilience plans**, given the August 2026 deadline to achieve all milestones and targets under the RRF[67], which may reduce their willingness to amend plans to include STEP Seal-awarded projects. Moreover, the first batch of STEP Seals was awarded in late 2024 to **projects that had just started or had yet to start and typically had timelines extending beyond the August 2026 RRF final deadline**.

The opportunity to transfer resources from the RRF allocation to the InvestEU Member State compartment could allow final beneficiaries to receive funding until December 2028, if the contribution agreement between the Member State involved and the Commission is signed and all investment operations are approved by the InvestEU Investment Committee by August 2026[68]. Several obstacles are, however, hindering the take-up of this possibility.

- Using a STEP-aligned InvestEU Member State compartment requires either that InvestEU implementing partners set up new STEP-aligned financial products or that they use existing financial products. The first approach risks a timeframe beyond the RRF deadlines. The second approach – while easier in the earlier implementation phase – adds to the administrative burden on implementing partners, who would be required to provide additional *ex post* reporting on a per-transaction basis to justify STEP alignment.

---

[63] However, eight Member States (Bulgaria, Czechia, Finland, Greece, Malta, Romania, Spain and Portugal) have contributed to their InvestEU Member State compartments, five of them using RRF resources, for non-STEP specific objectives.

[64] See Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility.

[65] See Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017.

[66] Member States are allowed to allocate 6% of their RRF resources to the InvestEU Member State compartment for investments in STEP-relevant technologies. This is in addition to the existing option of transferring up to 4% of RRF funds to InvestEU for broader purposes, enabling a combined transfer of up to 10%. Member States are also required to prioritise STEP Seal-awarded projects when revising their RRPs. Furthermore, the STEP Seal must be considered by both the Commission and Member States in consultations on investments by the European Investment Bank (the main InvestEU partner) and during policy checks on investments by other InvestEU implementing partners.

[67] See Article 14 of Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility.

[68] See Article 13(7) of Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017.

- The option to contribute up to 6% of a Member State's RRF envelope to the InvestEU Member State compartment in support of STEP objectives is additional to the pre-existing possibility of transferring up to 4% without thematic restrictions. The fact that no Member State has contributed the full 4% of its initial envelope already reflects limited appetite – making it unsurprising that interest in the STEP-specific compartment, which imposes a narrower scope, is even lower.

The single EU portal and the simulator

The STEP Regulation requires the interim evaluation to assess how effectively STEP: (i) has brought together all STEP-relevant EU funding opportunities in a single portal; and (ii) has set up a simulator to guide project promoters towards suitable EU funding opportunities for their projects.

As of 31 March 2025, the 'Get Funding' section of the STEP Portal featured information on 70 calls for proposals – 41 of which were still open, including two procurement calls – and received over 4 000 visits per month. From that section, users can access all necessary information on STEP-relevant calls, including those under EU programmes under direct management and national/regional cohesion policy programmes, such as those in Germany (Bavaria, Baden-Württemberg, Schleswig-Holstein, North Rhine-Westphalia), Romania, Italy (Lombardia), Latvia, and Denmark (Syddanmark, Nordjylland). Project promoters can apply directly through the STEP Portal, which redirects them to the relevant application websites. For example, calls launched by the Commission link to its Funding & Tenders Portal[69]. By doing so, the STEP Portal avoids duplicating entry points and instead helps users access existing tools more easily. To support this simplification, many STEP-related funding programmes – such as the Digital Europe Programme – now reference STEP on their websites and include cross-links to the portal.

As of 31 March 2025, the 'For Investors' section featured details on 142 projects[70] awarded the STEP Seal[71] across Member States and collected over 2 000 page views per month, generating visibility for projects and increasing their chances of getting alternative or cumulative funding. **The result is even more relevant considering that the first projects awarded the STEP Seal were published only in December 2024.** The dashboard includes project identifiers, locations and funding statuses, along with an interactive map for navigating project locations and promoters.

The portal's success is reflected in traffic analytics, showing **an average monthly growth rate of around 20% in key statistics**, including unique visitors, visits accounting for multiple page views, and total page views. Most visitors come from the Member States where most STEP Seals were awarded, namely Spain, Italy, Belgium and France. Additionally, an EU-wide survey conducted shortly after the STEP Portal's launch (see Section 4.2 on efficiency and Annex V on stakeholder consultations) found that, although only 25% of respondents were familiar with the portal, 90% of them reported a positive experience and found the information they needed.

---

[69] See EU Funding & Tenders Portal.

[70] An additional batch of projects under the Digital Europe Programme and the EIC have been awarded the STEP Seal but were published only at the end of April 2025 due to technical and administrative procedures for publication.

[71] Article 125 of Regulation (EU, Euratom) 2024/2509 on the financial rules applicable to the general budget of the Union (the 'Financial Regulation') requires the Commission to publish information on recipients of EU funds. Therefore, the Commission can only publish projects that have received financial support, or those that, even if not financially supported, have consented to the publication of their details. This explains why only 142 projects are published out of the 179 awarded STEP Seals.

FIGURE 5: DEVELOPMENT OF THE KEY ANALYTICS OF THE STEP PORTAL
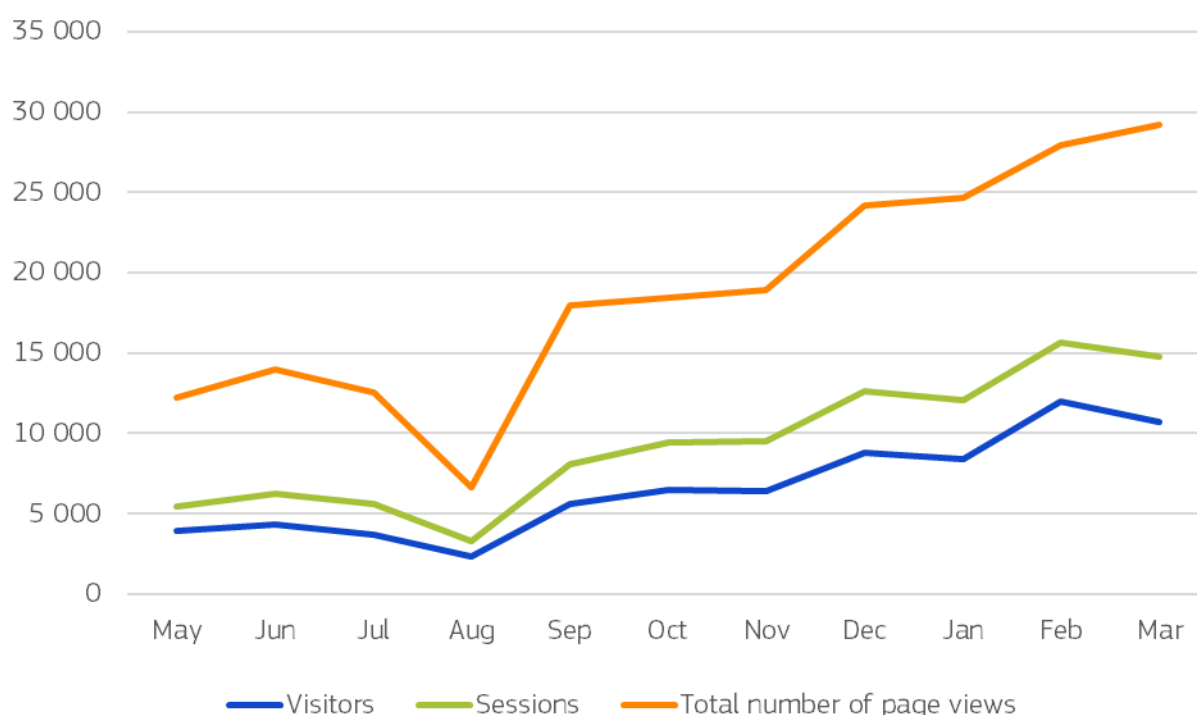
Source: STEP Task Force reporting

These results confirm the STEP Portal's effectiveness as a central resource for stakeholders, despite some considering it still too fragmented or limited in functionality. An area for improvement is the STEP Portal's visibility and outreach: efforts should focus on increasing awareness among target sectors (e.g. biotechnologies), driving additional traffic to useful resources (e.g. dashboard of the STEP Seals), and consistently reminding users that applications for five of the 11 programmes must still be submitted via the Funding & Tenders Portal.

In line with Article 8(2), point (d), of the STEP Regulation, the Commission is developing an AI-based simulator to help project promoters identify the most relevant EU funding opportunities based on their project specifications. A minimum viable product is planned for Q3-2025, pending compliance with technical and security requirements and validation at corporate level. A beta version will be tested by a selected group of users.

Some initial conclusions can already be drawn regarding the simulator's feasibility. The fragmentation of information across a wide range of portals reflects the complexity of the EU budget architecture – characterised by numerous funding programmes, over 140 action types, and especially differing publication practices across direct, indirect and shared management modes.

While the Funding & Tenders Portal provides information on centrally managed programmes, national and regional funding opportunities are published on Member State websites (estimated to number around 400). Existing tools such as the Access to EU Finance portal, which is a central database of all repayable forms of finance supported by the EU, and the InvestEU Portal only partially address the current dispersion of information on repayable instruments (loans, guarantees and equity) by linking users to local intermediaries or investment matchmaking platforms.

From a technical perspective, the lack of harmonised publication standards and limited interoperability across databases hinder the development of a truly comprehensive and intelligent search engine. As a result, project promoters – particularly SMEs and smaller organisations – face difficulties in accessing information on relevant EU funding, leading to uneven access and missed opportunities across the EU.

The STEP Portal, with its simulator project, is a testing ground for the next MFF for the set-up of **a single point of entry for beneficiaries to all EU funding and advisory services,** as recommended in the Commission Communication **'The road to the next multiannual financial framework'**.

4.2 Efficiency

This section assesses how the costs of implementing the Platform compared with its benefits, including an assessment of administrative burden and complexity pertaining to its design, governance and implementation.

Efficiency of STEP instruments

Some of the instruments and flexibilities introduced by STEP have clear potential benefits, such as the possibility to mobilise more funding for strategic technologies by supporting STEP Seal projects and transferring RRF resources to InvestEU Member State compartments.

At the same time, **the implementation of these instruments is hampered by inefficiencies**. As developed further in Section 4.1 on effectiveness, combining funding is a complex process, demanding intensive coordination and facing legal obstacles. Complications arise from differing cost reimbursement methods, which make it hard to align and comply with EU budget rules, particularly to avoid double funding. The diversity in terms of minimum award criteria and the large variety of project types also call for using different types of State aid compatibility, making it a bit more difficult for Member States to identify the applicable State aid rules, in turn impacting the efficiency of the tool.

Moreover, administrative burden and timeline misalignment for setting up new STEP-aligned financial products hampers the efficiency of STEP and the full use of possibilities for mobilising STEP investment under InvestEU (via the Member State compartment).

STEP's effect on internal coordination among EU funding programmes and coordination with national/regional authorities

STEP is a novel instrument for improving coordination among existing EU funding programmes towards joint strategic objectives. To that end, a new, small task force was created within the Commission's Directorate-General for Budget to coordinate a number of Commission departments (DGs) and external stakeholders, including Member States.

The internal network set up within the Commission, with 14 departments[72] managing or involved in EU funding programmes under the remit of STEP, has so far met 9 times[73], to align and facilitate the implementation of STEP. This coordination effort has mobilised EU programmes in different management modes (e.g. direct, indirect and shared), towards shared priorities: the promotion of investment in the best EU projects on clean tech, deep and digital tech and biotech.

Coordination with Member States was ensured via a newly created network of STEP national contact points (see Section 3). Over the course of 2024, all Member States but Ireland had appointed a contact point, and the network has met 5 times, allowing Members to share their national experience and the Commission to provide clarity on the requirements for implementing STEP.

The Commission developed a number of informative materials during the reporting period, to facilitate the implementation of STEP (see Section 3). The Commission also frequently presented STEP Seal projects to managing authorities / national contact points. In the first year of STEP implementation, the STEP Task Force held outreach missions in Germany, France, Estonia, Latvia, Lithuania, Romania, Slovenia and Portugal, where it met with public authorities, industry associations, SMEs, start-ups and financial intermediaries.

This increased coordination also generated costs. Implementing STEP across programmes operating under different rules, timelines, and legal bases was an operational challenge. This is exemplified by the number of meetings that have taken place as part of the STEP network, which each required the mobilisation of operational resources by the Commission (albeit as limited as possible).

Effort was also needed to adapt processes (e.g. ownership and control assessment of organisations participating in calls that included participation restrictions, for security reasons) and upgrade IT systems (e.g. flag for STEP topics, automatic generation of the STEP Seal certificates under the Funding&Tenders Portal, information for applicants), as well as assess amendments to cohesion policy funds.

The Commission made efforts to minimise such operational costs. STEP did not create new staffing costs at the Commission, since this was covered by the internal reallocation of posts within the Commission or by staff already working on the programmes under STEP.

STEP's effect on the fragmentation of the funding landscape at EU level

While seeking to promote consistency and synergies across funding programmes, **STEP is not designed to eliminate the fragmentation of the funding landscape at EU level as it does not merge or limit the number of programmes.** Still, the STEP Portal and coordination efforts aim to simplify users' interface with the EU funding landscape. Limited coordination between programmes, varying governance structures and timing mismatches limit efficiency (as well as effectiveness and coherence) and increase complexity, in particular from the perspective of project promoters.

---

[72] DG Budget; the Reform and Investment Task Force; DG Economic and Financial Affairs; DG Regional and Urban Policy; DG Research and Innovation; DG Health and Food Safety; DG Climate Action; DG Defence Industry and Space; the Health Emergency Preparedness and Response Authority; DG Employment, Social Affairs and Inclusion; DG Internal Market, Industry, Entrepreneurship and SMEs; DG Communications Networks, Content and Technology; DG Competition; and the Secretariat-General.

[73] As of end of April 2025.

EU financing instruments are designed to serve diverse objectives and support a wide range of policies and priorities, frequently in an uncoordinated manner. Overall, today, the EU manages close to 50 funding programmes, sometimes with multiple – occasionally intersecting – objectives and using different instruments. As outlined in the Commission Communication entitled 'The road to the next multiannual financial framework'[74], this fragmentation – coupled with complexity and lack of flexibility in reallocating funding – weighs on the effectiveness of EU funding.

Zooming in on STEP, the variety of the 11 programmes under the STEP remit[75] may hamper its efficiency. One issue is the lack of alignment in timelines among the different programmes: Some projects funded at central EU level have timeframes that extend beyond the legal timespans of some of the cohesion policy programmes, limiting the possibility that the two sources of EU funding could be combined. STEP does not alter the full spectrum of underlying objectives reflected in the programmes' respective legal bases, meaning there are structurally varying degrees of alignment towards STEP objectives across the different programmes.

Simplified access to funding for beneficiaries and reduced cost for accessing the EU budget

The complexity of the EU budget generates costs for applicants / project promoters. This is evidenced by an EU-wide survey on access to EU funding from mid-September to end of October 2024, carried out by the STEP Task Force *(referred to in Section 3.1 and Annex V on stakeholder consultations)*, which received almost 500 replies from all 27 Member States.

In parallel 30 bilateral interviews took place with a sample of potential beneficiaries, industry associations, national contact points from various programmes and consulting companies. The conclusions were similar.

Key takeaways:

1. Applicants face **challenges in finding information on EU funding**

IS INFORMATION ON EU FUNDING EASY TO FIND?
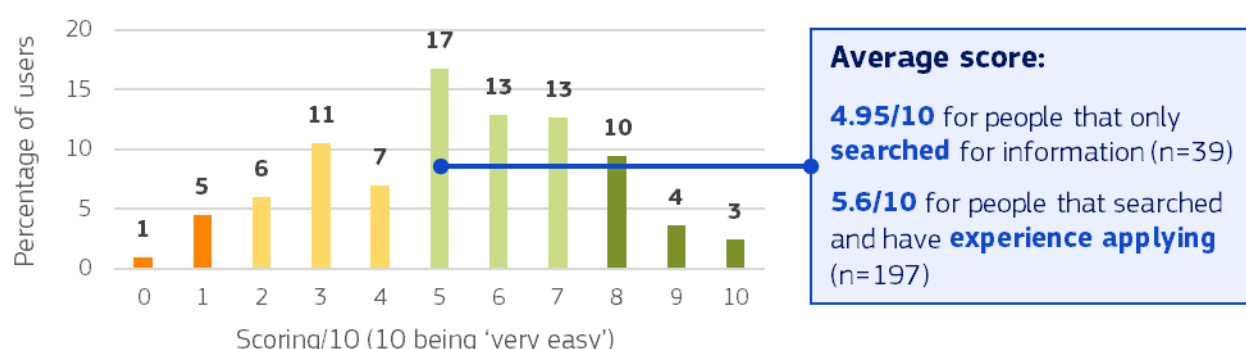
Source: EU-wide survey on access to EU funding conducted from mid-September to end of October 2024

---

[74] See Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions, The road to the next multiannual financial framework.

[75] Of which 5 programmes are managed directly by the Commission, 5 funded through national pre-allocated budgets under shared management and 1 implemented via indirect management with implementing partners.

CHALLENGES WHEN LOOKING FOR FUNDING INFORMATION (% OF USERS)

■ Awareness & Identification - phase **■ Application - phase**

Challenge	Value
Understanding different funding programmes	48
Administrative burden (documentation requirements)	43
Lack of clear and concise explanations (complex or technical...	40
Understanding if I meet the eligibility criteria	34
Overload of information	32
Lack of coordination between EU and National/ Regional portals	32
Identifying relevant information sources	31
Lengthy evaluation and decision making processes	30
Navigating the online submission portal	25
Incomplete information	15
Shifting regulation over time	14
Language barriers	8
other	3

Source: EU-wide survey on access to EU funding conducted from mid-September to end of October 2024

- Both new and experienced users score the easiness of finding info on EU funding at only 5/10, indicating that the **overall experience is challenging**, regardless of the user's level of experience.

- Most indicated that the struggles are related to the awareness and identification phases, confirming that the current landscape of EU funding opportunities is **too difficult to read and navigate through** (*'I need to scan very often for new information [no useful reminders]', 'I get confused on the overall timelines [opening, closing, due date]', 'it's hard to understand eligible funding amounts [what are the eligible costs]'*) .

- Therefore, **users must rely heavily on external support:** they look in particular for free resources like events and webinars, but 33% of users need to rely on paid professional experts or consultants for guidance. Identifying EU funding opportunities has thus a cost for stakeholders even before they start the application process.

2. Stakeholders would like to see a clear and easy **EU funding portal**

- **Official channels** remain the main source of info. Expectations are thus high among the stakeholders for a clear, easy-to-navigate and understand portal that hosts all the funding opportunities stemming from the EU budget.

- **Non-official sources** such as events and professional networks are used heavily for additional information and updates.

The STEP Portal addresses a number of these shortcomings, such as the complexity of navigating multiple portals across management modes, lack of interoperability between different portals and platforms and unequal access to funding information, particularly for SMEs and small organisations. Its user-centric structure tailors content to the needs of targeted audiences (project promoters, managing authorities, private investors). However, setting up this new Platform generated **additional costs** and required **sizeable coordination efforts across Commission departments to pool all the relevant**

information for project promoters. The estimated annual budget for design, development and maintenance of different STEP Portal functionalities and features is around EUR 800 000 per year, including both the STEP Portal's front office (content management and dashboard development) and the back office (calls management application).

Focus of the STEP scope

STEP introduced a set of detailed objectives and conditions (Article 2 of the STEP Regulation), as well as a precise scope regarding the targeted strategic technologies (digital and deep technologies, clean and resource-efficient technologies and biotechnologies). This is due to the nature of STEP as an instrument targeting only specific technological readiness levels. These requirements came on top of existing requirements and the scope of EU programmes covered by STEP.

Under Article 2(7) of the STEP Regulation, **the Commission published a guidance note to clarify the STEP objectives**[76] (including key concepts, such as value chains and associated services, as well as highlighting the focus of STEP on development and manufacturing, excluding fundamental research and deployment activities), clarify the definition of the three sectors prioritised by STEP (including an indicative list of technologies), and explain the conditions to meet to be considered critical. This helped stakeholders implement STEP consistently across Member States and the 11 funding instruments and gave useful information to potential beneficiaries.

However, the **very precise definition of the scope of activities to be supported by STEP may be difficult to grasp for project promoters**, possibly hindering the efficiency of the initiative. The STEP Task Force has been working to minimise the possible burden linked to understanding the scope of STEP, through extensive consultations with research and industry stakeholders, as well as regular contacts with NCPs and managing authorities.

How efficient are STEP's reporting and monitoring processes

As per Article 7 of the STEP Regulation, reporting requirements under STEP **build on the existing reporting requirements in the EU programmes contributing to STEP.** As specified in the legal basis, the monitoring of STEP implementation is targeted and proportionate to the activities carried out under STEP, and recipients of EU funding only contribute with data for monitoring based on the *existing* reporting requirements for the funding programme to which they apply, where necessary and in a proportionate manner (no new reporting requirement has been imposed on beneficiaries of EU funding under STEP).

To this end, the STEP Task Force has set up a monitoring system tailored to each contributing programme, to align with its specific reporting practices. This has been formalised within the STEP Commission network, to define how to report on STEP-contributing activities under each programme.

While this approach intends to minimise reporting burden, the pre-existing heterogeneity of reporting requirements across programmes (also reflecting specificities in the programmes' legal bases) **hampers the comparability of data and limits STEP's efficiency**. It proved difficult to build a comprehensive monitoring framework for the performance of EU funding for strategic technologies. For example, for

---

[76] See Guidance Note concerning certain provisions of Regulation (EU) 2024/795 establishing the Strategic Technologies for Europe Platform (STEP).

some programmes it is easier to obtain a breakdown by sector of support provided, or by stage of development / technological readiness level, for others this is not immediately possible, or it may become possible only with a long delay.

Despite progress in recent years[77], for some purposes the monitoring frameworks for the different EU programmes remain heterogenous, which reduces the capacity to measure the EU budget performance and inform policy making, especially on a general priority such as STEP.

4.3 Coherence

Coherence among the EU funding instruments covered by STEP

STEP was introduced with the overarching goal of increasing coherence across the diverse set of existing EU funding programmes, to align them towards the specific priorities of STEP (see Section 4.1 on effectiveness). So because it does not qualify as a standalone programme, STEP cannot be assessed for its consistency with other EU funding instruments. Rather, it should be evaluated based on its capacity to foster consistency among the programmes within its remit to support STEP objectives.

Prior to STEP's introduction, the 11 EU funding instruments now under its scope were already supporting what would later be defined as STEP priorities – albeit to varying extents and in an uncoordinated manner (see Section 2.2 on point(s) of comparison). An advance assessment of the extent of this support is not feasible, as the concept of 'strategic technologies' was previously subject to divergent, and sometimes conflicting, interpretations.

For example, STEP priorities in cohesion policy were pursued across *several policy objectives*. The introduction of two new STEP-relevant *specific objectives* under the ERDF and CF Regulation, alongside the establishment of dedicated STEP priority and specific intervention fields, has brought greater consistency and precision to how such investment is identified and pursued. A similar shift occurred in programmes under direct management, where calls for proposals must now explicitly refer to STEP to be considered to be contributing to its objectives.

In its policy steering role, the **Commission has clarified the scope of STEP through a dedicated Guidance Note**[78]**, to encourage consistent interpretation of STEP objectives and requirements across funding instruments**, particularly where the boundary between eligible and non-eligible investment is not always clear.

To further reinforce this consistency, the **STEP Task Force has carried out a second-level review of proposed STEP-relevant calls and individual projects**. These efforts help to mitigate the risk of 'STEP-washing', enhance the visibility and distinctiveness of STEP investment and support the emergence of a recognisable STEP brand. However, ensuring full coherence across instruments where the Commission has varying levels of visibility and control – ranging from project-level detail under direct management programmes to often broader, programme-level frameworks under cohesion policy – remains a challenge.

---

[77] See the 2021 Communication on the Performance Framework of the EU budget, available at EUR-Lex - 52021DC0366 - EN - EUR-Lex.

[78] Commission Communication C/2024/3209, Guidance Note concerning certain provisions of Regulation (EU) 2024/795 establishing the Strategic Technologies for Europe Platform, 2024, available at EUR-Lex - 52024XC03209 - EN - EUR-Lex.

This consistency challenge extends to cohesion policy amendments, aligning funding under shared management (e.g. cohesion policy funds) with that under direct management (e.g. the Innovation Fund). For example, the Commission has developed a general methodology to support first-of-a-kind electrolyser projects, using technical criteria such as capacity, technological innovation, and the novelty of the integrated business model.

This effort has also had spillovers into the reporting framework for the EU budget, contributing to increased transparency and accountability. In particular, beginning with 2025 reporting (on the 2024 financial year), the Commission's Annual Management and Performance Report[79] on the EU budget will also cover how each EU funding programme contributes to supporting the strategic technologies in the STEP remit.

Some challenges have resulted from regulatory and structural divergences within the programmes covered by STEP, which have limited its full potential, as anticipated in Section 4.1 on efficiency. For example, several Member States presented examples of projects that had been awarded the STEP Seal under the Innovation Fund but which are potentially ineligible for support from the ERDF and the Just Transition Fund (JTF) because of regulatory provisions[80] in these funds ruling out their use to finance installations covered by the Emissions Trading System (ETS). Note that this applies to many projects assessed under the Innovation Fund, and thus many projects awarded a STEP Seal so far.[81]

These examples illustrate that, while STEP has initiated a valuable process to improve internal coherence among EU funding instruments, more is needed, including in terms of reviewing the coherence of different pieces of legislation with one another. This lesson informs the ongoing work towards designing a more impactful budget for the next MFF, as discussed in both the Commission's Political Guidelines and the recent Communication on the road to the next MFF.

External Coherence between STEP and other initiatives not covered by STEP.

The STEP Regulation aims to achieve coherence between STEP and other compatible initiatives.

The EU Net-Zero Industry Act (NZIA) and the Critical Raw Materials Act (CRMA) both establish frameworks for identifying strategic projects essential to the EU's resilience and competitiveness, which typically contribute to STEP objectives. Similarly, the technologies supported by Important Projects of Common European Interest (IPCEI) are to be deemed critical technologies for the purpose of STEP when they fall within the three STEP sectors.

While such projects are generally considered to contribute to STEP objectives, their eligibility for financing under STEP is not automatic. STEP funding remains subject to separate eligibility criteria, and strategic designation alone does not guarantee financial support. In addition, NZIA/CRMA strategic

---

[79] See Annual management and performance reports - European Commission.

[80] Article 7 of Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund and Article 9 and Article 11(2), point (h), of Regulation (EU) 2021/1056 of the European Parliament and of the Council of 24 June 2021 establishing the Just Transition Fund.

[81] On 1 April, the Commission published a legislative proposal with targeted amendments to the regulatory framework for the cohesion policy funds, including allowing investment related to production, processing, transport, distribution, storage or combustion of fossil fuels, in operations that received a STEP Seal under the Innovation Fund and more support from the ERDF for decarbonisation projects awarded a STEP Seal (e.g. under the Innovation Fund).

projects and IPCEIs in STEP sectors do not benefit from the facilitations that are provided to projects that have received a STEP Seal.

Nevertheless, **the designation of a project as strategic under NZIA or CRMA, as well as IPCEI projects, may encourage Member States to support these projects under STEP**, particularly in the context of cohesion policy reprogramming. In this respect, STEP incentivises the alignment of national investment choices with EU-level priorities.

4.4 EU added value

STEP delivers clear EU added value by enforcing coordination and consistency across different layers of public funding – EU, national, and regional – to maximise support for investment in strategic technologies and its impact. This level of alignment could only be achieved at EU level, given the need to steer and combine resources that are managed both centrally and across Member States. It helps align various programmes along the same priorities and steer funding under direct, indirect or shared management towards the development and manufacturing of digital and deep technologies, clean technologies and biotechnologies (see Section 4.3 on coherence).

STEP aims to increase consistency between the EU level and the national/regional level, in particular through the STEP Seal, by directing cohesion policy funding toward projects with high strategic value for the EU as a whole. The strong engagement of managing authorities suggests that the financial and other incentives provided under the STEP Regulation (see Section 4.1 on effectiveness) may be effective in encouraging Member States to invest in strategic projects that deliver EU added value. Nevertheless, the STEP Seal is yet to prove itself as a successful tool in enabling cumulative or alternative funding from national and regional EU resources to strategic projects.

The STEP Portal also brings EU added value by promoting easier access to funding information across EU programmes, in particular for SMEs and smaller organisations. It brings together all funding opportunities afforded by the EU budget for STEP-relevant projects. The survey on access to EU funding (see Section 4.2 on efficiency) reported that '72% of users see value in a one-stop shop for EU and national funding', as opposed to the same information being dispersed across EU-level and national depositories. Users cited time savings and clarity among the key benefits.

4.5 Relevance

From the outset, STEP was designed to help as part of a broader set of initiatives to make European industry more competitive and resilient. Among these strategic initiatives is the Green Deal Industrial Plan, which serves as the EU's roadmap for supporting industry in the swift transition to climate neutrality.

By design, STEP works in synergy with key legislative initiatives and policy networks such as the Net-Zero Industry Act and the Critical Raw Materials Act (see Section 4.3 on coherence). STEP is also aligned with the objectives of the European Chips Act[82], to bolster Europe's resilience in semiconductor technologies and applications, and boost the EU's share of the global microchips market. Moreover, STEP also fits with

---

[82] See Regulation (EU) 2023/1781 of the European Parliament and of the Council of 13 September 2023 establishing a framework of measures for strengthening Europe's semiconductor ecosystem.

EU action to identify its strategic dependencies: the updated '2020 New Industrial Strategy'[83], in-depth reviews of dependencies in different strategic areas[84], the European Economic Security Strategy[85].

STEP's continued relevance has been confirmed in the priorities announced at the outset of the second von der Leyen Commission. The President's Political Guidelines for 2024-2029 highlight the urgent need for the EU to invest in its competitiveness. The Draghi report on the future of EU competitiveness called for decisive action to promote economic growth, including through additional investment.

The Competitiveness Compass highlights that 'the STEP experience so far shows the added value of refocusing the EU budget support around clear and shared competitiveness priorities'[86]. The Clean Industrial Deal outlines the EU's plan for enhancing competitiveness and decarbonisation, including by strengthening EU funding for clean technologies – a priority that is already promoted by STEP. It further calls for enhancing synergies between existing funding instruments to maximise the financing of STEP Seal projects across regions in the EU.

As identified in the Joint White Paper for European Defence Readiness 2030, the EU should do more to support the urgent need to increase European defence investment with the EU budget, against the backdrop of the unprecedented geopolitical instability. While support for several defence technologies – like drones, cyber technologies or AI – was possible under STEP's initial scope, President von der Leyen identified, in her letter to EUCO members on 6 March 2025, the enlargement of STEP's scope to all defence technologies as an option to incentivise defence-related investment with the EU budget.

Therefore, on 22 April 2025 the Commission adopted a proposal for a Regulation to extend STEP's scope, creating a fourth sector covering all defence technologies, as well as to amend some of the programmes covered by STEP (e.g. EDF, DEP, HE) to optimise their capacity to mobilise the EU's resources towards defence.

This proposal complements the Commission's proposal for a Regulation in the context of the mid-term review of the cohesion policy adopted earlier in April 2025. This proposal would use the incentives for cohesion policy funds under STEP, which have proved their effectiveness as explained above, to incentivise the pursuit of additional priorities, besides removing potential barriers presently limiting the capacity of cohesion policy funds to support some specific STEP-relevant projects.

In March 2025, the Commission proposed the Critical Medicines Act (CMA) to improve the availability, supply and production of critical medicines within the EU. Under the CMA, strategic projects may benefit from access to existing EU funding instrument, including funding facilitation through STEP. The CMA amends the STEP Regulation so that strategic projects designated in accordance with the CMA which address a vulnerability in the supply chains of critical medicinal products are deemed to contribute to the STEP objectives.

STEP was designed as a testing ground, to promote a new approach, also in view of the preparations of the next multiannual financial framework (MFF). The Communication on the road to the next MFF,

---

[83] See Commission Communication updating the 2020 New Industrial Strategy: Building a stronger Single Market for Europe's recovery, 2021.

[84] Commission staff working document on strategic dependencies and capacities, 2022, available at eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52021SC0352.

[85] Joint Communication on European Economic Security Strategy, 2023.

[86] See Competitiveness compass - European Commission.

adopted on 11 February 2025, outlined the objectives for the next EU budget: simpler, more focused and more impactful. STEP promotes the same objectives, albeit on a smaller scale. It aims to focus funding programmes on a selected set of strategic sectors, promoting higher EU impact. It aims to simplify access to EU funds, and the Communication recognises that the STEP Portal provides a first overview of all calls for proposals focusing on strategic technologies, at EU and Member State / regional level, for the programmes in STEP's remit.

CONCLUSIONS AND LESSONS LEARNED

5.1 Conclusions

This mid-term evaluation provides a first, early assessment of STEP one year after its entry into force. The assessment is taking place against the five evaluation criteria of effectiveness, efficiency, consistency ('coherence'), relevance, and EU value added.

While this interim evaluation responds to the requirements of the STEP Regulation, its early delivery limits its reach. Since funding reallocation has in effect just started and is still in progress, a fully-fledged assessment of the ultimate impact of STEP with respect to its objectives is not yet possible. The report nevertheless reviews progress so far, particularly with respect to steering EU funds towards STEP-relevant technologies, and to developing the STEP Seal and the STEP Portal.

At this early stage, STEP appears to be on track to deliver on its objectives. As of March 2025, around EUR 16 billion had already been earmarked for STEP. This included EUR 9.5 billion mobilised through the programmes under direct management – of which EUR 5.2 billion had already been awarded under the respective STEP-relevant calls – as well as EUR 6.3 billion in redirected funding from cohesion policy programmes. However, no specific financial resources had been mobilised as of March 2025 under the Recovery and Resilience Facility (RRF) or InvestEU for STEP-related projects using the STEP-specific tools, mainly due to the lack of incentives introduced by the STEP Regulation for this specific case and the regulatory timeline of the RRF.

The evaluation confirms the added value of the STEP Seal to identify strategic projects for the single market, while highlighting obstacles in leveraging its full potential to catalyse investment across the EU. By March 2025, 190 STEP Seals had been awarded[87], with the first Seals issued in October 2024 following the completion of the selection process for the first STEP-relevant calls.

However, at this stage no project awarded a STEP Seal has received any alternative or additional funding from Member States under cohesion policy resources or from the RRF. Combining funding across EU funding instruments remains a challenge. In many cases, this is the consequence of the necessity for combined financial support for cross-country consortia awarded with a STEP Seal, of the lack of any specific State aid treatment for STEP Seals, and of the introduction of such label less than two years from the deadline of the RRF. In other cases, the obstacles are posed by the divergent rules of the instruments in the remit of STEP, for example the different methodology for assessing and reimbursing the costs of a project or the exclusions of specific technologies under cohesion policy funds.

---

[87] This includes 11 STEP Seals awarded under the EIC on 3 April 2025.

The STEP Portal has become a tool for simplified access to STEP-relevant EU funding, receiving positive feedback from users. An AI-powered simulator is being developed to further help project promoters navigate EU funding opportunities. Efforts are also ongoing to make it more widely known among target users.

STEP adds EU value by enhancing coordination and consistency across EU funding at central, national, and regional level with the aim of maximising investment in strategic technologies. Such a degree of alignment with shared priorities could only be achieved through EU-level intervention. By encouraging national and regional managing authorities to take into account the broader EU-level value added, when deciding how to allocate EU funds, STEP steers funding towards projects with high potential for the EU as a whole.

Coordination across 11 funding instruments and 14 Commission Directorates-General entails costs, though these have been kept to a minimum, including by the Commission's decision to carry out these additional activities without extra staff. Most of these costs stem directly from the need to bring together funding instruments, whose legal bases are already different and sometimes conflicting, under a unique set of STEP objectives and conditions.

The continued relevance of STEP under the new Commission mandate was confirmed, as illustrated by its priority on competitiveness and by the proposal to extend the scope of STEP to defence applications.

5.2 Lessons learned

STEP model to improve coordination of programmes

The experience of STEP has so far shown the benefits of increasing coordination between funding programmes and different governance models, around a targeted set of policy objectives. However, this coordination has come with significant operational costs and barriers to the full potential in implementation. The Communication on the road to the next MFF highlights that the sheer number of EU funding programmes (more than 50) – all with different eligibility rules, application processes, co-financing rates and multiple entry points for potential applicants – puts at risk the speed and quality of implementation.

In the same way, the abundance of tools providing technical assistance and support options under these programme (around 30) calls for simplification and reduction of overlaps. STEP is an experiment to better link EU policy priorities with the EU funding and to create a true single-entry point for beneficiaries to all EU funding and advisory services, two of the core objectives of the EU's next long-term budget.

STEP as an instrument for increasing synergies between EU programmes

The experience of the STEP Seal has shown the appetite for a more seamless combination of funding between EU funding programmes. At this stage in STEP's implementation, while STEP has been successful in identifying a large number of high-potential projects across the EU under the respective programmes, the evaluation also highlights a number of major challenges to deliver on the objective of synergies in funding which could be addressed more systematically as part of the Commission's proposal for the next MFF.

Single entry point to EU funding

Today, EU funding opportunities are presented to potential applicants via multiple entry points. While the STEP Portal serves as a pilot initiative bringing together calls for proposals in different management modes in a user-friendly manner for applicants, fragmentation is still present. In fact, while the Funding & Tenders Portal centralises information for directly managed programmes, national and regional opportunities are spread across an estimated 400 Member State websites.

Looking ahead – what to make of the lessons learned

In the short term, in April 2025, the Commission proposed to: (i) **expand and extend the financial incentives available under STEP in cohesion policy and** to **enlarge the scope of support from the ERDF to those projects awarded a STEP Seal under the Innovation Fund** that had been established by the EU Emissions Trading System (ETS), as part of the cohesion policy programmes' mid-term review; and (ii) expand **the scope of STEP to cover all defence-related technologies[88],** in line with political priorities**.**

At the current juncture, **other legal amendments to improve the functioning of STEP do not seem warranted** – also considering the implementation time that would be needed to see possible benefits and the fact that STEP is a temporary instrument expiring with the current MFF at the end of 2027.

Still, many of the lessons learned from STEP and its limitations in addressing existing challenges may inform the design of the future MFF, including when it comes to EU funding for competitiveness and economic convergence. The next EU long-term budget will be more focused, simpler, more flexible and deliver better on EU priorities. As announced in the Political Guidelines, the Competitiveness Compass, and the Communication on the road to the next MFF, the European Competitiveness Fund will establish an investment capacity that will support strategic sectors and technologies critical to EU competitiveness, including research and innovation, and Important Projects of Common European Interest.

The Fund's comprehensive architecture will allow it to accompany European projects along the entire investment journey, from research, through scale-up, industrial deployment, to manufacturing. It will also help leverage and crowd-in private investment. Some of the key objectives of STEP, such as ensuring simplified access to funding to beneficiaries with simpler rules and a single-entry point, could inspire the design of the next MFF instruments.

---

[88] Commission proposal for a regulation to incentivise defence-related investment in the EU budget.

ANNEX I. Procedural information

The interim evaluation of the Strategic Technologies for Europe Platform was completed in compliance with Article 8 of the Regulation establishing STEP[89] by the Directorate-General for Budget (BUDG). The Decide planning entry is PLAN/2025/10.

An interservice group helped draft the evaluation, building on the existing STEP Commission network across DGs, with valuable input from the Legal Service. The group provided input on the call for evidence, intervention logic, evaluation questions and evaluation report.

Organisation and timing

Interservice group (ISG) created	March 2025
Call for evidence published, and feedback period	March 2025-April 2025
Number of interservice group meetings	3
Discussion on final evaluation report in ISG	May 2025
ISC launch	May 2025
Participating Directorates Generals (in addition to DG BUDG, Chair)	**SG** – Secretariat-General **SG-REFORM** – Reform and Investment Task Force **ECFIN** – Directorate-General for Economic and Financial Affairs **REGIO** – Directorate-General for Regional and Urban Policy **RTD** – Directorate-General for Research and Innovation **LS** – Legal Service **SANTE** – Directorate-General for Health and Food Safety **CLIMA** – Directorate-General for Climate Action **DEFIS** – Directorate-General for Defence Industry and Space **HERA** – Health Emergency Preparedness and Response Authority **EMPL** – Directorate-General for Employment, Social Affairs and Inclusion **GROW** – Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs **COMP** – Directorate-General for Competition **CNECT**– Directorate-General for Communications Networks, Content and Technology

---

[89] Regulation (EU) 2024/795 of the European Parliament and of the Council of 29 February 2024 establishing the Strategic Technologies for Europe Platform, see Regulation - EU - 2024/795 - EN - EUR-Lex.

ANNEX II. Methodology and analytical models used

This section describes the evaluation and methodological approach. It provides a brief explanation of the overall approach to the evaluation, followed by an overview of the methods adopted, including caveats and limitations.

Approach to the evaluation

The design of the evaluation was guided by several key considerations:

- **Evaluation criteria and questions to be addressed**: the criteria for the evaluation outlined a series of questions to be addressed, focusing on effectiveness, efficiency, coherence, relevance and EU added value. To systematically address these questions, an evaluation matrix was developed (see Annex III), detailing the necessary data and evidence.

- **Early stage of programme implementation**. Given the early stage of the platform's implementation, there were significant limitations on the extent to which the evaluation questions, especially on effectiveness and efficiency, could be addressed. While quantitative data was utilised wherever possible, the limited availability of data (e.g. on projects that received alternative or cumulative financing thanks to STEP) was considered when designing the evaluation.

  Therefore, the evaluation relies heavily on qualitative approaches, including the first-hand experience of the Commission staff involved in the implementation, a survey and feedback gathered from external stakeholders both in the call for evidence and through regular exchanges with interested counterparts across the EU.

- **Novel aspects of the platform**. The evaluation methodology must take into account the unique features of STEP as an initiative. Given that STEP has little to no dedicated spending budget (see Section 3.1 on the development of the political context), serves primarily a coordinating and steering function across existing EU funding programmes, and has largely qualitative objectives, there are inherent limitations in assessing its standalone impact—particularly in economic terms.

- By considering these factors, the interim evaluation of STEP aims to provide meaningful insights into the initial implementation and innovative aspects of the platform, while complementing, rather than replacing, the evaluations of the individual EU funding programmes involved in the platform, and setting the stage for a more comprehensive evaluation at a later stage.

Overview of the evaluation methods

As explained, the evaluation combines both qualitative and quantitative methods where feasible.

Document review

The evaluation included a thorough review of existing documentation relevant to the design, implementation, and performance of STEP. This review focused primarily on programming documents specific to the platform – such as the STEP Regulation[90], the Financial Regulation[91] and the STEP Guidance Note[92] – as well as the legal and policy frameworks of the EU funding programmes covered by STEP, including the Common Provisions Regulation[93], the RRF Regulation[94] and the Commission Notice providing guidance on recovery and resilience plans[95].

In light of the timing of the evaluation, the analysis also incorporated key programmatic policy documents published by the Commission during the drafting period. These include the Communication on the Competitiveness Compass[96], the Communication on the Clean Industrial Deal[97], the Draghi Report on EU Competitiveness[98] and the Communication on the road to the next multiannual financial framework[99].

This review provided a critical foundation for assessing STEP against the established evaluation criteria.

Database analysis

The evaluation team – with the support of the relevant Commission departments – collected, examined, and analysed a range of data sources, including:

- STEP-labelled calls for proposals and calls for tender under direct management;
- STEP Seals awarded through these STEP-labelled calls;
- funding allocated to STEP projects in direct management;
- STEP-relevant programme amendments under cohesion policy;
- STEP-relevant calls for proposals launched within cohesion policy programmes;
- projects selected and funded under cohesion policy that qualify as STEP-relevant.

---

[90] See Regulation (EU) 2024/795 of the European Parliament and of the Council of 29 February 2024 establishing the Strategic Technologies for Europe Platform (STEP).

[91] See Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (recast).

[92] See C(2024) 3148 final.

[93] See Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021.

[94] See Regulation (EU) 2021/241 of the European Parliament and of the Council of 12 February 2021 establishing the Recovery and Resilience Facility.

[95] See Commission Notice – Guidance on recovery and resilience plans.

[96] See COM(2025) 30 final.

[97] See COM(2025) 85 final.

[98] See The Draghi report on EU competitiveness.

[99] See COM(2025) 46 final.

This data enabled the evaluation team to analyse the geographical and sectoral distribution of STEP-related commitments and investment.

The scope of the data considered includes, for direct management, calls launched and STEP Seals awarded up to the end of March 2025. For shared management, it includes programme amendments adopted, calls launched and projects selected by the same date.

Survey

Between September and October 2024, the Commission, with support from an external contractor, carried out a survey to capture feedback on end-user experience with the EU funding landscape.

The study consisted of two components:

1. **27 qualitative interviews**, each lasting one hour, involving Commission departments and executive agencies, national contact points, industry clusters and associations, consulting firms and experienced applicants.

2. An **EU-wide survey** composed of 66 open and closed questions, which received 487 responses.

Together, these two components of the study ensured broad coverage across different user profiles (including inexperienced users, experienced applicants and professionals), STEP-relevant industry sectors and all stages of the EU funding journey – from the search for funding opportunities to project award, implementation and reporting (for results, see Annex V).

Observation and engagement with stakeholders

As part of the DG BUDG STEP Task Force the evaluation team participated in a wide range of meetings and events, both within and outside of the Commission, involving all relevant stakeholders for STEP and also during visits to selected Member States.

This immersive engagement allowed the evaluation team to: (i) capture a wide array of perspectives (ranging from national contact points and public authorities to final recipients); (ii) develop a nuanced understanding of the operational realities, challenges, successes and the perceptible impact of the platform on final recipients, and (iii) identify areas for improvement (for results, see Annex V).

ANNEX III. Evaluation matrix and answers to the evaluation questions (by criterion)

Evaluation criteria	Evaluation questions	Judgement criteria	Data	Summary of evaluation findings	Section of main report
Effectiveness	How successful has STEP been in supporting the development/manufacturing of critical technologies, and addressing shortages of labour and skills for developing/manufacturing such technologies?	Significant financial amounts are reprogrammed across all programmes in the scope of STEP	Quantitative and qualitative data on amended programmes, funding amounts reprogrammed to STEP, selected projects and relative funding awarded specifically in direct management and in cohesion policy programmes	At this early stage, STEP appears to be on track to deliver on its objectives. As of March 2025, STEP had allocated over EUR 11 billion in funding, including a total budget of EUR 10 billion from the five STEP programmes under direct management, as well as EUR 6.3 billion of redirected funds from cohesion policy funds. No specific financial resources had been mobilised as of March 2025 under the Recovery and Resilience Facility (RRF) and InvestEU for STEP-related projects using the STEP-specific tools. Too early to assess full impact of reprogramming efforts.	4.1
	How successful has the STEP Seal been to achieve STEP objectives?	The STEP Seal helps projects find alternative or cumulative funding, as well as additional sources of funding from private investors	Number of STEP Seals issued / Number of STEP Seals selected for funding in cohesion or RRF and relative funding amounts / Number of Seals that have received private funding and relative funding amounts / Qualitative feedback from industry on Seals / Qualitative evidence on obstacles regarding cumulative and alternative funding from	STEP Seal presents potential to facilitate alternative and combined funding, though no project awarded a STEP Seal has yet received alternative or additional funding. Legal and operational challenges remain, including aligning cost assessment methods and navigating the relevant State aid rules.	4.1

Evaluation criteria	Evaluation questions	Judgement criteria	Data	Summary of evaluation findings	Section of main report
			internal and external stakeholders		
	How effective has the STEP Portal been in achieving STEP objectives?	The STEP Portal helps users access EU funding and find funding opportunities in critical technologies	Metrics on traffic on STEP Portal / Access to EU funding survey results / Qualitative evidence from stakeholders on the Portal	The STEP Portal has been successful in simplifying access to EU funding by bringing together funding opportunities for strategic technologies across the EU budget, with positive user feedback. A potential AI-powered simulator is also being developed to assist project promoters in navigating funding opportunities. Technical and operational hurdles remain to develop a fully fledged single entry point to the EU budget	4.1
Efficiency	How has STEP increased coordination among EU funding instruments? What have been the costs related to such coordination? Could this coordination happen in a more efficient way?	STEP has helped increase coordination among programmes and with investment at national/regional level (STEP Network within the Commission, network	Number of meetings of the STEP Network and NCPs / Number of bilateral meetings with Managing Authorities / Qualitative evidence of actions undertaken by STEP Task Force and NCP for	Increased coordination of 11 STEP funding instruments and alignment along shared priorities, with associated coordination and operational costs	4.2

Evaluation criteria	Evaluation questions	Judgement criteria	Data	Summary of evaluation findings	Section of main report
			of national contact points)	coordination (preparation of informative materials e.g. guidance, leaflets, brochures, dissemination activities e.g. promotion of Seals with MAs)	
	What has been the effect of STEP on the fragmented funding landscape at EU level?	STEP has helped reduced the fragmentation of EU programmes and helped align programmes over common priorities	Quantitative evidence on number of programmes in current EU budget (and fact STEP does not reduce number of programmes), qualitative evidence on current EU funding landscape and work of STEP Task Force to align on common priorities across instruments	STEP does not reduce the number of funding programmes, the funding landscape remains fragmented. STEP helps to align along common priorities.	4.2
	To what extent has STEP simplified access to funding for beneficiaries and reduced access cost to the EU budget?	STEP has improved access to funding for beneficiaries and reduced the complexity of the EU budget	Evidence from a survey on access to EU funding: qualitative evidence from stakeholders on the Portal: Portal metrics	STEP leads to simpler access to funding via the STEP Portal including information of funding in different management modes for strategic technologies. Substantial coordination efforts across Commission departments to pool all the relevant information for project promoters remain key for the success of the STEP Portal as a tool.	4.2
	To what extent has STEP introduced additional complexities?	The new requirements introduced by STEP (i.e. STEP scope) are proportionate and sufficient efforts have been made to clarify them to stakeholders	Qualitative evidence from STEP Task Force and stakeholders on STEP scope	STEP introduced a set of detailed objectives and conditions which are sometimes complex to understand for project promoters, and came on top of existing requirements of EU funding instruments. The Commission has made efforts to clarify the STEP scope via a guidance document.	4.2

Evaluation criteria	Evaluation questions	Judgement criteria	Data	Summary of evaluation findings	Section of main report
	How efficient are STEP's reporting and monitoring processes?	Reporting under STEP is efficient and data can be collected smoothly	Qualitative evidence (case study) on data collection for reporting purposes in the context of STEP and the setting up of reporting requirements by the STEP Task Force	STEP does not introduce new reporting requirements and relies on reporting requirements in existing EU funding programmes. The inherent limitations of the EU budget performance monitoring framework limit the collection of data on EU funding for strategic technologies.	4.2
Coherence	To what extent are the different instruments introduced by STEP coherent?	All the instruments introduced by STEP are coherent (STEP Seal, incentives to reprogram cohesion policy funds, STEP portal)	Qualitative evidence on the degree of matching/mismatch between different programmes (i.e. different timelines for different funds making the Seal less consistent)	STEP improves coherence among EU funding programmes by aligning them along common strategic priorities. Incoherences among respective programmes' legal bases remain	4.3
	To what extent has STEP helped increase synergies among programmes and increase the consistency of the EU budget?	STEP helps increase synergies across EU programmes (common priorities across direct and shared management, cumulative funding)	Quantitative evidence on take-up of STEP Seals in cohesion policy funds, qualitative evidence on reprogramming under different funds around common priorities aligned in terms of scope	STEP improves consistency among EU funding programmes by aligning them on common strategic priorities (i.e. common STEP scope promoted via the STEP Guidance, similar wording used in direct management calls for proposals and cohesion policy funds)	4.3

Evaluation criteria	Evaluation questions	Judgement criteria	Data	Summary of evaluation findings	Section of main report
	To what extent is STEP consistent with other initiatives at EU level?	STEP is consistent with other initiatives	Qualitative assessment of how consistent STEP is compared to other initiatives (NZIA, CRMA, Competitiveness Compass, Clean Industrial Deal, Defence, Critical Medicines Act)	Consistency with initiatives like the Net-Zero Industry Act (NZIA) and Critical Raw Materials Act (CRMA) is promoted in STEP's legal base. While being designated as strategic under these acts can help access to STEP funding, challenges arise, especially with the CRMA, where the lack of formal evaluation criteria leads to inconsistencies. Additionally, Important Projects of Common European Interest (IPCEI) also face regulatory limitations in accessing STEP funding. Simplified procedures to enable funding under STEP have been proposed under the mid-term review of cohesion policy.	4.3
EU added value	To what extent does STEP bring EU added value? Could this have been done by Member States alone?	Coordinated pursuit of STEP objectives by the different programmes	Qualitative evidence on the relevance of an EU-level action added value of STEP to ensure policy objectives are achieved in a coordinated and consistent manner	STEP adds EU value by enhancing coordination and consistency across EU, national, and regional funding to maximise investment in strategic technologies. STEP helps overcome fragmentation by steering funding towards high-potential projects for the EU.	4.4

Evaluation criteria	Evaluation questions	Judgement criteria	Data	Summary of evaluation findings	Section of main report
Relevance	Is STEP still relevant? To what extent did its scope and objectives remain relevant over the implementation period? To what extent does it correspond to wider EU policy goals and priorities?	STEP remains relevant in the context of the EU's competitiveness agenda	Qualitative evidence on relevance of STEP in view of EU competitiveness agenda (Competitiveness Compass, Clean Industrial Deal) and other initiatives (Defence)	The continued relevance of STEP in the second von der Leyen Commission has been confirmed (Competitiveness Compass, Clean Industrial Deal). There is a new need to increase European defence investment with the EU budget, against the backdrop of unprecedented geopolitical instability. The current STEP scope was not deemed fully fit for that purpose, hence the proposal to extend STEP's scope by creating a 4th sector covering all defence technologies	4.5

ANNEX IV. Overview of benefits and costs; table on simplification and burden reduction

The tables below outline the benefits and costs of STEP, as well as its impact on simplification and burden reduction. Considering that STEP is not a new programme but rather a new mechanism for coordinating programmes, many of its features rely on existing programmes and cannot be considered to represent an additional cost (for instance, as specified in Article 7 of the STEP Regulation, monitoring on STEP progress relies on monitoring frameworks of existing EU programmes).

STEP brings a number of simplifications and burden reductions, both for national authorities (i.e. cohesion policy flexibilities) and project promoters (via the STEP Portal).

TABLE A4.1: OVERVIEW OF BENEFITS AND COSTS IDENTIFIED IN THE EVALUATION

Description	Type of benefit / cost	One-off / recurrent	Stakeholder		
			Citizens	Businesses	Administrations (EU and national)
BENEFITS					
Strengthening the EU's technological sovereignty in strategic sectors (digital, cleantech, biotech) with long-term societal benefits	Indirect benefits	Long-term	STEP contributes to EU-wide strategic investment goals, especially in climate, digital, and health sovereignty – this will potentially create, in the long run, quality job opportunities in critical sectors. By focusing on upskilling in technology sectors, citizens might potentially access better employment prospects in the knowledge economy.		
Increased visibility for investments in strategic technologies	Direct and indirect benefits	Recurrent (during 21-27 MFF period)		The STEP Seal and the STEP Portal increase the visibility for companies operating in STEP-relevant technologies, enhancing their potential to attract public and private investments	The STEP Portal ensures that regional investments in STEP technologies are recognised
Increased coordination and strategic alignment across the EU budget	Indirect benefits	Long-term	-	-	Incentives (increased pre-financing, co-financing) to redirect funding towards STEP technologies for managing authorities / national authorities in cohesion policy funds and RRF increase alignment around shared priorities between regional, national authorities and EU
Simplified access to and provision of funding	Direct benefits	Recurrent (during 21-27 MFF period)		The STEP Portal streamlines the funding application process, reducing the administrative burden for businesses trying to access EU funding. The STEP Seal ensures that compliance with STEP conditions is assessed only once thus streamlining the procedure to be awarded	Administrations benefit from the harmonization of national and regional funding with EU priorities, which avoids duplicated efforts and ensures that resources are directed towards projects of high strategic value, including by fast-

				cumulative/alternative funding at national level and possibly shortening its timeline	tracking mechanisms (e.g. direct award under ERDF)

COSTS					
Human resources at European Commission level	Direct compliance cost	Long-term	-	-	**20 FTEs** (no creation of new posts; reallocation of posts within Commission)
Resources spent on consultation, outreach activities and communication, including STEP Portal	Direct compliance cost	Recurrent	-	-	**STEP Portal**: EUR 800 000 per year, including both the STEP Portal's front office (content management and dashboard development) and the back office (calls management application). **Missions by STEP Task Force**: around EUR 10 000 **Meetings of STEP national contact points**: around EUR 40 000
Administrative burden on Member States to amend cohesion policy programmes and implement STEP priorities	Direct compliance cost	One-off	-	-	Cohesion policy reprogramming involves one-off administrative costs for proposal and fund adjustments
Effort by project promoters to align proposals with STEP criteria	Direct compliance cost	Recurrent	-	Complexity and time cost for applicants to understand STEP scope vary; efforts made by Commission to lessen these costs (STEP Guidance, outreach, STEP Portal)	-
Coordination costs (STEP Commission Network, national contact points)	Enforcement costs	Recurrent	-	-	Coordination cost of internal STEP Commission network across 14 Commission DGs; 9 meetings so far Administrative and coordination cost for

53

					newly appointed national contact points (5 meetings so far)

TABLE A4.2: OVERVIEW OF SIMPLIFICATION MEASURES (ALREADY ACHIEVED)

Description	Type	One-off / recurrent	Citizens	Businesses	Administrations
30% pre-financing for STEP Priorities	Liquidity and cash flow simplification	One-off	-	-	Immediate upfront payment reduces financial planning burden for managing authorities
Up to 100% co-financing Rate for STEP Projects	Financial simplification for project funding	One-off	-	-	Removes need for national co-financing in some cases and reduces financial burden for managing authorities
STEP Portal as central access hub	Access to funding simplification	Recurrent	-	Aggregates calls from 11 EU instruments in one dashboard, including calls for proposals in shared management	-

TABLE A4.3: OVERVIEW OF SIMPLIFICATION MEASURES (POTENTIAL)

Description	Type	One-off / recurrent	Citizens	Businesses	Administrations
STEP Seals serves as pre-evaluated project label	Simplified project selection	Recurrent (?) *(if seen per project: on-off)*	-	The STEP Seal avoids double evaluations and thus saves resources and time for the project promoters. However, savings only if managing authority grants support directly.	The STEP Seal avoids double evaluations and thus saves project selection resources. However, savings only if managing authority grants support directly.
STEP Portal as central access hub	Access to funding simplification	Recurrent	-	AI simulator may reduce search and application time for SMEs	-

ANNEX V: synopsis report on stakeholder consultations

To support this evaluation, the Commission launched a call for evidence in March–April 2025. Throughout the implementation of STEP, the Commission has regularly engaged with stakeholders through dedicated meetings, participation in events, and specific missions to Member States.

Since March 2024, it has also convened four meetings with STEP national contact points across the EU to discuss the progress of implementation. In addition, a EU-wide survey on access to EU funding was conducted in September–October 2024.

The results of all these consultation activities are presented in this annex.

TABLE A5.1: OVERVIEW OF CONSULTATION STRATEGY AND METHODOLOGY

Activities	Stakeholders targeted	Timing
Call for evidence	Individual citizens, academic and research organisations, NGOs, consumer and social organisations, individual economic operators and representatives, public authorities	13 March 2025 - 10 April 2025, 30 responses
Survey on access to EU funding	European Commission and executive agencies, national contact points for EU funding programmes, industry clusters and associations, consulting companies, private companies	September to October 2024
Meetings of the STEP national contact points	STEP national contact points	12 June 2024 4 July 2024 5 September 2024 7 November 2024 19 February 2025
Outreach initiatives	Private companies, public institutions, financial investors, academic and research organisations, consulting firms	Over the course of the implementation

Results of the consultation activities

Feedback from the call for evidence

The call for evidence on the STEP interim evaluation ran from 13 March to 10 April 2025. The Commission received 30 responses.

FIGURE A5.1: CATEGORIES OF RESPONDENTS TO THE CALL FOR EVIDENCE
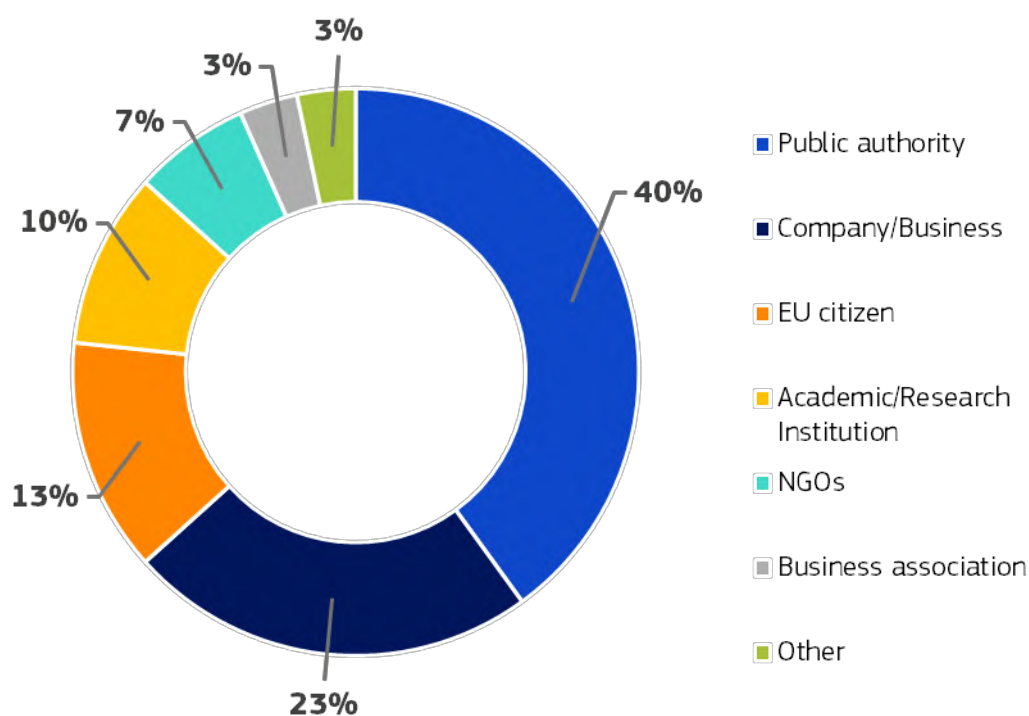
Source: STEP Task Force elaboration

FIGURE A5.2: MEMBER STATE OF ORIGIN OF RESPONDENTS
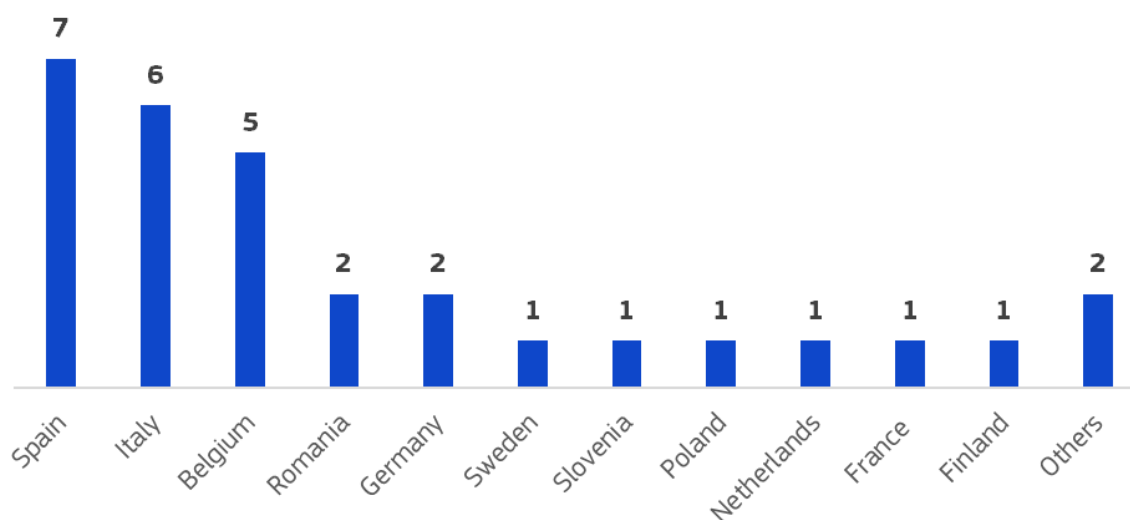
Source: STEP Task Force

Funding accessibility and coordination were central concerns across all stakeholder groups. Respondents widely supported simplified and coordinated access to funding under STEP. Business associations and companies emphasised the need for a single, centralised portal to help SMEs and investors navigate available opportunities. The **STEP Portal was seen as a helpful starting point**.

Regional and national authorities regretted the lack of alignment between STEP and existing cohesion funding rules, making implementation complex. National authorities also expressed concerns about unequal access for non-EU countries and called for stronger integration into support networks like the national contact points.

In terms of strategic technology focus, most stakeholders agreed that STEP is targeting the right sectors. However, several called for a broader interpretation of these categories. Industry and civil society groups encouraged STEP to support emerging areas such as hydrogen purification, open-source digital infrastructure, and circular economy solutions. Clarification of strategic dependencies was raised in many of the responses, with a call for better defining and breaking down the term 'strategic dependencies' within the STEP framework.

The current emphasis on carbon capture technologies was criticised by several stakeholders, arguing that such projects may sustain fossil fuel dependency and do not align with long-term climate goals. Academic institutions raised concerns that STEP's focus on strategic technologies and industrial competitiveness could marginalise basic research, particularly in the social sciences and humanities

The administrative and regulatory burden was raised repeatedly, especially by public authorities. Respondents described STEP as difficult to implement, including due to **mismatches with national eligibility rules. State aid rules** were also raised an obstacle by six respondents (four managing authorities, one national promotional bank and one private company), with one recommending that STEP be given a dedicated legal provision under the GBER to facilitate the funding of both single and multi-beneficiary projects. Managing authorities found that the STEP Seal concept was hard to apply without clearer legal foundations. Others asked for clearer **guidance on project selection and coordination** to improve implementation across Member States.

Views on the STEP Seal recognition and impact were consistent across stakeholder types. Most saw its value in principle but noted that in practice, it offers few concrete benefits. Many called for the creation of national-level follow-up mechanisms to support Seal-endorsed projects. Introducing a 'Gold STEP' label was proposed, to reward exceptional proposals and enhance visibility. Authorities and companies alike flagged inconsistencies in how the Seal is recognised across Member States, which weakens its purpose. Within cohesion policy programmes, the STEP regulation provides flexibilities and incentives for managing authorities to support STEP Seals, but it imposes no obligation on them. This context might not be widely understood by all stakeholders. Consequently, some stakeholders suggested implementing appeal procedures for cases where local authorities choose not to support Seal-endorsed projects.

The topic of inclusiveness and regional balance was highlighted by both public and private stakeholders. Regional authorities, SME representatives and industry associations emphasised the need for tailored tools to support SMEs, particularly in less developed regions. These actors highlighted that SMEs are essential to Europe's strategic autonomy, but often struggle to access STEP due to complex

procedures and a lack of dedicated support. Universities and research organisations added that social and regional inclusion should be safeguarded and warned against an overly narrow focus on industrial outcomes.

Feedback from Commission survey on access to EU funding

Between September and October 2024, the Commission launched an EU-wide study on access to EU funding with a twofold objective: 91) assess users' current experience with EU funding, and (2) gather views on the potential use of AI tools in this context.

The aim was to inform the future development of the STEP Portal, particularly regarding how AI – such as a chatbot – could improve the user experience in identifying and assessing relevant funding opportunities (for methodology, see Annex II).

Key takeaways

- **Users encounter major barriers at every stage of the EU funding journey**, particularly in the awareness and identification phases – when they start navigating the resources available online and identifying the most relevant funding opportunities for their needs. The system is perceived to be fragmented, overly complex and difficult to navigate, especially for first-time applicants.

  Information is often buried in lengthy documents, jargon-heavy, or inconsistently presented across platforms, leading users to rely heavily on informal networks, external consultants, and webinars to compensate for the lack of clear official guidance.

  According to **48% of users the main challenge is related to 'understanding' the different funding programmes**. 30% of them lament the **lack of consistency between funding opportunities** at EU and national level as well as the complexity of identifying the **relevant information sources**. The core focus of users is to understand which opportunities are currently open and until when (i.e. timeline) and their second focus is on understanding whether there is a strong fit for them (e.g. eligibility, objectives, scope etc.)

FIGURE A5.3: OVERVIEW OF CHALLENGES IDENTIFIED BY RESPONDENTS

■ Awareness & Identification – phase ■ Application – phase

Challenge	Value
Understanding different funding programmes	48
Administrative burden (documentation requirements)	43
Lack of clear and concise explanations (complex or technical...)	40
Understanding if I meet the eligibility criteria	34
Overload of information	32
Lack of coordination between EU and National/ Regional portals	32
Identifying relevant information sources	31
Lengthy evaluation and decision making processes	30
Navigating the online submission portal	25
Incomplete information	15
Shifting regulation over time	14
Language barriers	8
other	3

How users resolve challenges?

64% Consulting with colleagues or professional network

58% Contacting official support services (Help desks, NCP)

53% Attending workshops, webinars or training sessions

35% Hiring external experts of consultants

How often do users look for information?

29% on a **monthly** basis

28% on a **weekly** basis

17% on a **quarterly** basis

Source: EU-wide survey on access to EU funding (mid-September–end October 2024)

- **There is strong demand for a more user-centric and consistent access point to funding opportunities**. 72% of consulted users expressed support for a one-stop shop that integrates EU and national funding information. This would reduce the current need to cross-check between multiple sources and portals, bringing enhanced clarity and time savings. However, users also highlighted that simply aggregating information is not sufficient – to be effective the platform must offer clarity, structured navigation and tailored filtering.

- **75% were not yet familiar with the STEP Portal**, indicating a need to significantly raise awareness. Among those who had used the platform, feedback was generally positive, despite some usability challenges. It is important to note that these findings likely reflect user experiences with the pre-revamp version of the website, as the survey was conducted in parallel with the redesign launched in September 2024.

- **AI is seen as key for improving the STEP user experience, particularly through tools like chatbots, document summarisation and smart filtering.** Users value AI for its potential to simplify access to relevant opportunities, guide users through the application process and reduce manual effort. However, successful implementation depends on ensuring high levels of trust, relevance and data security.

  More than 80% of surveyed users, as well as interviewees, stress that AI tools must deliver accurate, up-to-date and context-aware support. Multilingual support and friendliness are instead seen as the least relevant features, although the former was more strongly supported in eastern European countries. Privacy and security for exchanged information during chatbots interactions is the major concern raised by users.

FIGURE A5.4: RELEVANCE OF THE DIFFERENT CHARACTERISTICS OF AN AI TOOL FOR EU FUNDING
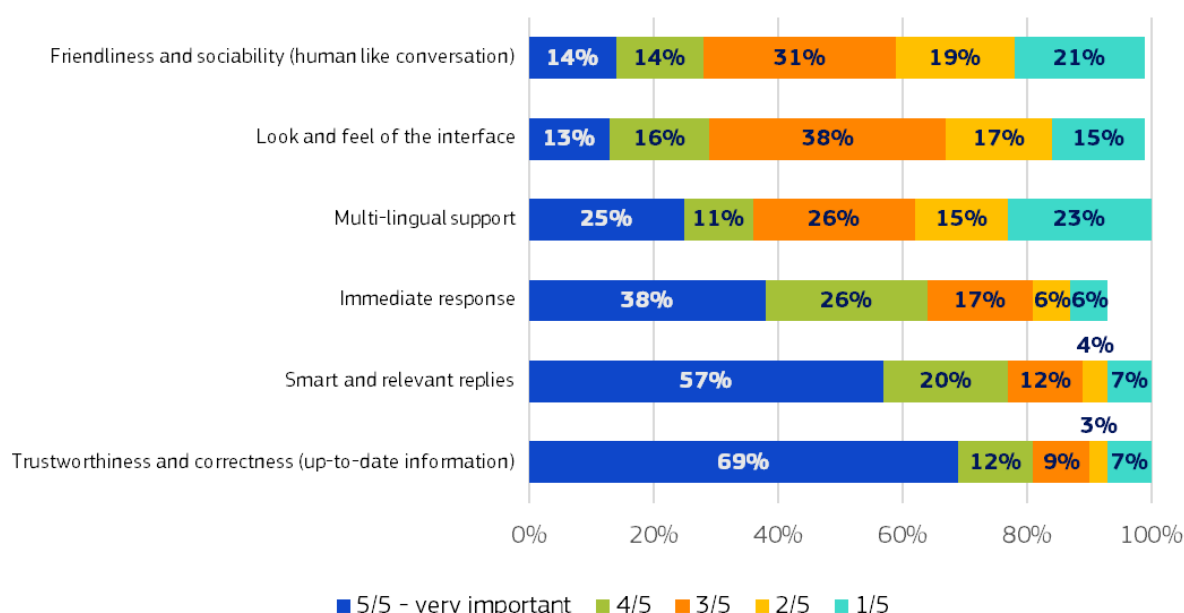
Source: EU-wide survey on access to EU funding (mid-September to end October 2024)

Feedback from meetings of the national contact points

Since June 2024, the Commission has organised regular meetings with all national contact points (NCPs) designated by Member States to coordinate the implementation of STEP nationally. To date, **five such meetings have taken place**.

These meetings serve as a **key coordination forum**, enabling the exchange of information on the implementation of STEP at both EU and national levels. They help ensure alignment across Member States, share practical guidance and collectively address implementation challenges and bottlenecks.

1st NCP Meeting – 12 June 2024

The first formal engagement between the Commission and national STEP coordinators. The session introduced the objectives and structure of the STEP Regulation, clarified the expected role of the NCPs,

and established working arrangements for the network. The meeting also addressed the way forward on the implementation of STEP through cohesion policy and the Recovery and Resilience Facility.

2nd NCP Meeting – 4 July 2024

Focused on the STEP scope, presenting in detail the STEP Guidance Note and clarifying questions received from the Member State representatives.

3rd NCP Meeting – 5 September 2024

Focused on the InvestEU Member State compartments and the new opportunities introduced by the STEP Regulation under this instrument. The Commission provided an overview of how STEP-related investment could be supported through national compartments, and NCPs exchanged on the practicalities and challenges of mobilising resources under this framework.

4th NCP Meeting – 7 November 2024

NCPs convened in Brussels for the first in-person, full-day meeting of the network. The discussion primarily centred on the STEP Seal. The Commission presented the initial batch of STEP Seals awarded under the Innovation Fund, with a particular focus on clean and resource-efficient technologies. A key topic of debate were the limits to the uptake of these projects under cohesion policy.

Participants highlighted several barriers, including:

- the **exclusion of sectors covered by the ETS Directive from ERDF eligibility** (see Section 4.3 on coherence),

- the **absence of a dedicated State aid regime for STEP Seal projects**;

- **practical difficulties related to combining EU funding sources** – an interesting opportunity, given the large budgets for projects awarded STEP Seals.

Several Member States also shared their experience with ongoing cohesion policy programme amendments and raised questions about the **scope of STEP and its interplay with other EU initiatives – such as IPCEI, the Net-Zero Industry Act (NZIA) and the Critical Raw Materials Act (CRMA)** (see Section 4.3 on coherence).

Finally, the meeting addressed the use of STEP incentives under the Recovery and Resilience Facility (RRF). Many Member States indicated limited interest in using this option, citing either **full commitment of their RRF envelopes** or the **administrative complexity and time required to amend national recovery and resilience plans**.

5th NCP Meeting – 19 February 2025

Featured a presentation by Aura Aero, a French start-up and STEP Seal recipient under the 2023 Innovation Fund call. The company shared **positive feedback on the signalling effect of the STEP Seal** and emphasised the ongoing **funding challenges faced by start-ups**, notably the need for improved matchmaking with private investors at national level.

The Commission presented the latest batches of STEP Seals awarded under the Digital Europe Programme and EU4Health. The discussion also addressed the specific challenges related to the uptake of STEP Seal projects under cohesion policy, particularly those involving **consortia of multiple beneficiaries, which often require tailored, case-by-case approaches**.

Several Member States reported having been contacted by Seal holders seeking alternative or complementary funding solutions. Selected NCPs shared national-level initiatives aimed at facilitating the integration of STEP Seal projects into cohesion policy funding streams.

Feedback from the outreach initiatives

Since the launch of STEP in March 2023, the Commission has actively engaged with a wide range of stakeholders across the EU through dedicated meetings and public events. These exchanges serve as valuable opportunities to gauge stakeholder perspectives on STEP, collect feedback on its implementation and assess the relevance and usability of key tools, such as the STEP Portal (for background, see Annex II).

By the end of March 2024, the Commission had participated in 105 meetings with external stakeholders and conducted visits to **Germany, Hungary, France, Estonia, Latvia, Lithuania, Romania, Slovenia, Greece, and Portugal**. These engagements covered a broad spectrum of actors – including industry representatives, private investors, public authorities, academic institutions and consultancy firms – across 22 EU Member States[100].

---

[100] The Commission, in the context of its outreach initiatives on STEP, has not yet been in contact with any external stakeholder from Malta, Cyprus, Austria, Bulgaria and Ireland.

FIGURE A5.5: COUNTRY OF ORIGIN OF THE ORGANISATIONS WHO MET WITH THE STEP TASK FORCE (number of meetings)
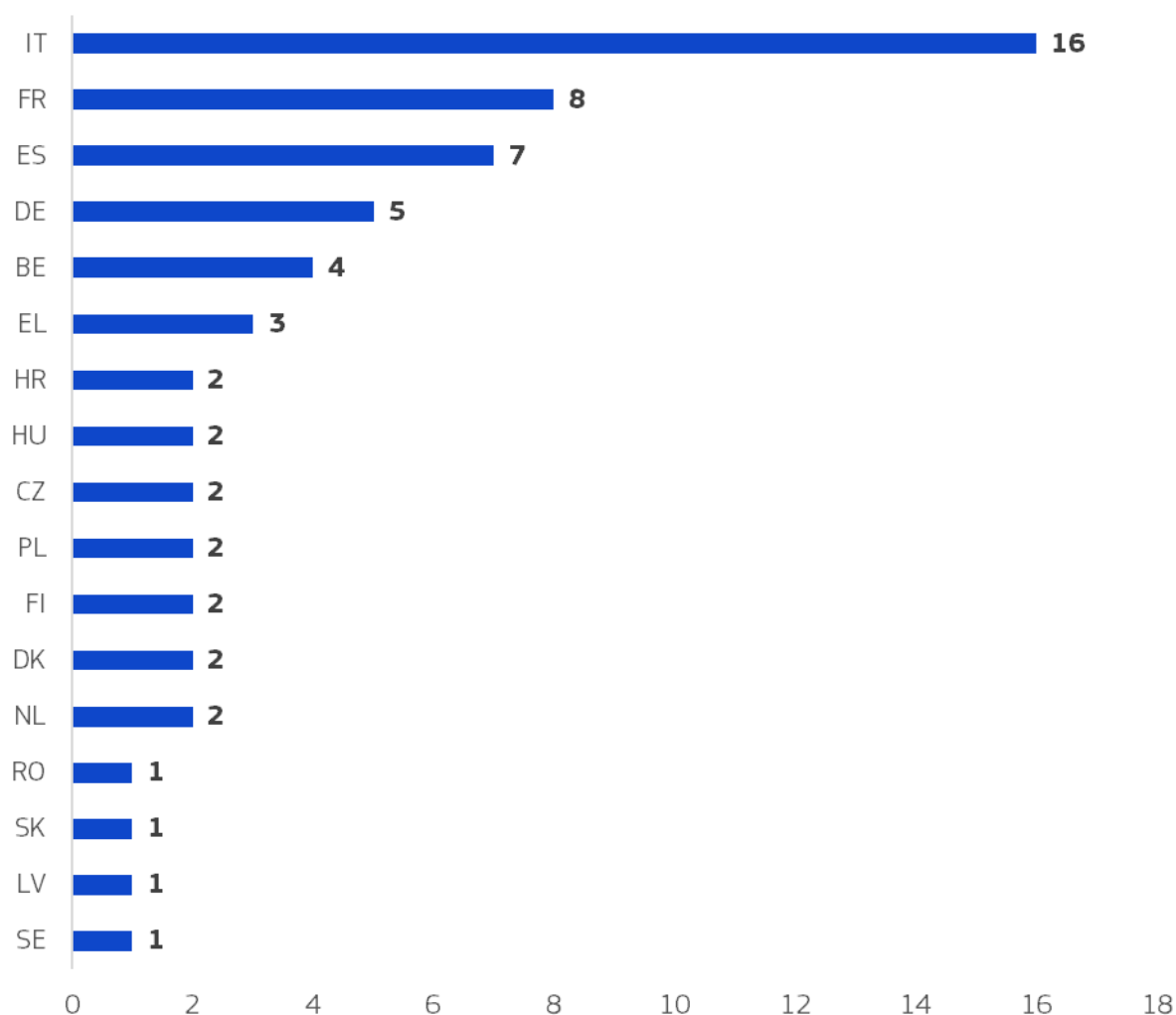
Source: EU-wide survey on access to EU funding (mid-September to end October 2024)

Across the Commission's stakeholder engagements, several recurring concerns have emerged:

- **Complexity of access to EU funding:** Navigating the EU funding landscape remains challenging, particularly for SMEs. Stakeholders highlighted the complexity of application documents, the volume of information required and the administrative burden involved. These challenges – along with associated costs (e.g. for external consultants) and uncertainties such as delays – discourage participation and prompt many companies to seek funding elsewhere.

- **Funding gaps in the innovation cycle:** While stakeholders acknowledged the EU's strong support for research and development, they pointed to a lack of sufficient resources for the start-up and scale-up phases. This funding gap limits the ability of innovative companies to grow and commercialise their technologies.

- **Regulatory and structural barriers:** The effectiveness of EU funding is constrained by a fragmented landscape and misalignment between funding instruments. Differences in timelines across programmes (e.g. Horizon Europe, the Innovation Fund and Digital Europe) hinder continuity. In addition, the variety of applicable State aid frameworks (resulting from

a variety of objectives and policies pursued by the calls under which STEP Seals were granted) were identified as barriers to effective project support.

- **Comparative disadvantage to the US system:** The US was frequently cited as offering a more favourable environment for industry – characterised by simpler procedures, greater public investment and more direct engagement opportunities with public authorities, by-passing complex procurement requirements.

- **Need for long-term budget certainty:** Industry stakeholders underlined the importance of a more stable, long-term EU funding framework to support planning and sustained engagement in strategic sectors.

Among outreach initiatives, one stands out particularly. On 12 March 2025, the Italian STEP national contact point (NCP), with support from the Commission, organised the first-ever workshop bringing together STEP Seal holders and managing authorities of cohesion policy funds.

The workshop served multiple purposes: it raised awareness of STEP among Italian beneficiaries of the STEP Seal under the Innovation Fund, allowed the NCP to present an overview of the ongoing reprogramming of cohesion policy programmes in Italy and provided a forum for three regional ERDF managing authorities to showcase their respective reprogramming efforts. A dedicated Q&A session followed the presentations.

Key questions raised during the exchange:

1. The **role of State aid in supporting STEP projects** and the potential for future facilitation measures.
2. Compliance with the Financial Regulation (FR) and Common Provisions Regulation (CPR), as regards **double funding**.
3. The design of cohesion incentives and the possibility of **increasing allocations beyond the current flexibility limits.**
4. The practical **uptake of the STEP Seal**, including the administrative burden associated with funding multi-beneficiary projects.

ANNEX VI: Complementary information

TABLE A6.1: OVERVIEW OF THE REGIONAL DISTRIBUTION OF THE STEP SEALS[101]

Country	NUTS2	Region	#
	Cleantech		
ES	**ES51**	Cataluña	5
IT	**ITC4**	Lombardia	5
BE	**BE21**	Prov. Antwerpen	4
FR	**FRD2**	Haute-Normandie	4
SE	**SE12**	Östra Mellansverige	4
DK	**DK05**	Nordjylland	3
DE	**DE21**	Oberbayern	3
DE	**DE94**	Weser-Ems	3
ES	**ES61**	Andalucía	3
FR	**FRE1**	Nord-Pas de Calais	3
FR	**FRI1**	Aquitaine	3
IT	**ITH5**	Emilia-Romagna	3
NL	**NL36**	Zuid-Holland	3
PT	**PT1A**	Grande Lisboa	3
BE	**BE23**	Prov. Oost-Vlaanderen	2
BE	**BE32**	Prov. Hainaut	2
CZ	**CZ06**	Jihovýchod	2
DK	**DK02**	Sjælland	2
DK	**DK04**	Midtjylland	2
DK	**DKZZ**	Extra-Regio NUTS 2	2
DE	**DEA1**	Düsseldorf	2
EL	**EL30**	Αττική	2
EL	**EL53**	Δυτική Μακεδονία	2
EL	**EL64**	Στερεά Ελλάδα	2
ES	**ES42**	Castilla-La Mancha	2
ES	**ES43**	Extremadura	2
ES	**ES52**	Comunitat Valenciana	2
FR	**FRD1**	Basse-Normandie	2
FR	**FRH0**	Bretagne	2
FR	**FRJ2**	Midi-Pyrénées	2

Country	NUTS2	Region	#
FR	**FRK2**	Rhône-Alpes	2
FR	**FRL0**	Provence-Alpes-Côte d'Azur	2
HR	**HR02**	Panonska Hrvatska	2
LV	**LV00**	Latvija	2
PT	**PT1C**	Alentejo	2
FI	**FI19**	Länsi-Suomi	2
SE	**SE22**	Sydsverige	2
SE	**SE23**	Västsverige	2
SE	**SE33**	Övre Norrland	2
BE	**BE25**	Prov. West-Vlaanderen	1
BE	**BE33**	Prov. Liège	1
BG	**BG31**	Северозападен	1
CZ	**CZ02**	Střední Čechy	1
CZ	**CZ04**	Severozápad	1
CZ	**CZ05**	Severovýchod	1
CZ	**CZ08**	Moravskoslezsko	1
DK	**DK03**	Syddanmark	1
DE	**DE11**	Stuttgart	1
DE	**DE22**	Niederbayern	1
DE	**DE24**	Oberfranken	1
DE	**DE40**	Brandenburg	1
DE	**DE93**	Lüneburg	1
DE	**DEA2**	Köln	1
DE	**DEB3**	Rheinhessen-Pfalz	1
DE	**DED2**	Dresden	1
DE	**DEG0**	Thüringen	1
EE	**EE00**	Eesti	1
IE	**IE04**	Northern and Western	1
ES	**ES11**	Galicia	1
ES	**ES12**	Principado de Asturias	1
ES	**ES13**	Cantabria	1

Country	NUTS2	Region	#
ES	**ES21**	País Vasco	1
ES	**ES24**	Aragón	1
FR	**FRE2**	Picardie	1
FR	**FRF1**	Alsace	1
FR	**FRF3**	Lorraine	1
FR	**FRG0**	Pays de la Loire	1
FR	**FRI3**	Poitou-Charentes	1
HR	**HR03**	Jadranska Hrvatska	1
IT	**ITC1**	Piemonte	1
IT	**ITF4**	Puglia	1
IT	**ITG1**	Sicilia	1
IT	**ITG2**	Sardegna	1
IT	**ITH3**	Veneto	1
IT	**ITH4**	Friuli-Venezia Giulia	1
IT	**ITI1**	Toscana	1
LU	**LU00**	Luxembourg	1
HU	**HU23**	Dél-Dunántúl	1
NL	**NL11**	Groningen	1
NL	**NL34**	Zeeland	1
NL	**NL42**	Limburg (NL)	1
NL	**NLZZ**	Extra-Regio NUTS 2	1
AT	**AT12**	Niederösterreich	1
AT	**AT13**	Wien	1
PL	**PL42**	Zachodniopomorskie	1
PL	**PL52**	Opolskie	1
PT	**PT11**	Norte	1
PT	**PT19**	Centro (PT)	1
RO	**RO31**	Sud-Muntenia	1
SK	**SK03**	Stredné Slovensko	1
FI	**FI1C**	Etelä-Suomi	1
FI	**FIZZ**	Extra-Regio NUTS 2	1
SE	**SE11**	Stockholm	1
SE	**SE32**	Mellersta Norrland	1

---

[101] A region is considered to have received a STEP Seal if at least one project with an awarded Seal is partially or fully located within its borders, even in the case of multi-location projects.

MS	NUTS2	Digitaltech — Region	#
FR	FR10	Île-de-France	10
BE	BE10	Région de Bruxelles-Capitale / Brussels Hoofdstedelijk Gewest	9
FI	FI1B	Helsinki-Uusimaa	8
ES	ES30	Comunidad de Madrid	7
ES	ES61	Andalucía	6
IE	IE06	Eastern and Midland	6
ES	ES51	Cataluña	6
IT	ITC4	Lombardia	6
IT	ITH5	Emilia-Romagna	6
IT	ITI4	Lazio	6
EL	EL30	Αττική	5
IT	ITF3	Campania	5
NL	NL41	Noord-Brabant	5
PT	PT1A	Grande Lisboa	5
FR	FRJ2	Midi-Pyrénées	4
BG	BG41	Югозападен	4
EE	EE00	Eesti	4
EL	EL61	Θεσσαλία	4
DE	DE21	Oberbayern	3
IT	ITC1	Piemonte	3
BE	BE24	Prov. Vlaams-Brabant	3
DE	DEA2	Köln	3
ES	ES21	País Vasco	3
FR	FRH0	Bretagne	3
FR	FRK2	Rhône-Alpes	3
DK	DK01	Hovedstaden	3
DK	DK04	Midtjylland	3
IE	IE05	Southern	3
EL	EL43	Κρήτη	3
ES	ES52	Comunitat Valenciana	3
CY	CY00	Κύπρος	3
RO	RO32	Bucureşti-Ilfov	3
FI	FI1C	Etelä-Suomi	3
FI	FI1D	Pohjois- ja Itä-Suomi	3
DE	DE14	Tübingen	2
SE	SE11	Stockholm	2
DE	DE11	Stuttgart	2
DE	DE50	Bremen	2
EL	EL52	Κεντρική Μακεδονία	2
EL	EL62	Ιόνια Νησιά	2
IT	ITI1	Toscana	2
LV	LV00	Latvija	2
HU	HU11	Budapest	2
NL	NL21	Overijssel	2
NL	NL35	Utrecht	2
NL	NL36	Zuid-Holland	2
AT	AT13	Wien	2
PL	PL21	Małopolskie	2
PL	PL71	Łódzkie	2
PT	PT19	Centro (PT)	2
BE	BE33	Prov. Liège	1
DE	DE40	Brandenburg	1
DE	DE92	Hannover	1
DE	DED2	Dresden	1
FR	FRF3	Lorraine	1
BE	BE23	Prov. Oost-Vlaanderen	1
BG	BG33	Североизточен	1
CZ	CZ01	Praha	1
DK	DK02	Sjælland	1
DE	DE12	Karlsruhe	1
DE	DE25	Mittelfranken	1
DE	DE26	Unterfranken	1
DE	DE80	Mecklenburg-Vorpommern	1
DE	DEA3	Münster	1
DE	DEG0	Thüringen	1
IE	IE04	Northern and Western	1
EL	EL41	Βόρειο Αιγαίο	1
EL	EL51	Ανατολική Μακεδονία, Θράκη	1
EL	EL63	Δυτική Ελλάδα	1
EL	EL65	Πελοπόννησος	1
ES	ES42	Castilla-La Mancha	1
ES	ES62	Región de Murcia	1
ES	ES70	Canarias	1
FR	FRB0	Centre – Val de Loire	1
FR	FRE1	Nord-Pas de Calais	1
FR	FRE2	Picardie	1
FR	FRF1	Alsace	1
FR	FRJ1	Languedoc-Roussillon	1
HR	HR03	Jadranska Hrvatska	1
HR	HR05	Grad Zagreb	1
IT	ITC3	Liguria	1
IT	ITF4	Puglia	1
IT	ITF5	Basilicata	1
IT	ITH2	Provincia Autonoma di Trento	1
IT	ITI3	Marche	1
MT	MT00	Malta	1
PL	PL22	Śląskie	1
PL	PL63	Pomorskie	1
PL	PL91	Warszawski stołeczny	1
PT	PT11	Norte	1
PT	PT1B	Península de Setúbal	1
PT	PT1D	Oeste e Vale do Tejo	1
PT	PT20	Região Autónoma dos Açores	1
RO	RO21	Nord-Est	1
RO	RO22	Sud-Est	1
RO	RO41	Sud-Vest Oltenia	1
FI	FI19	Länsi-Suomi	1
SE	SE12	Östra Mellansverige	1
SE	SE23	Västsverige	1
SE	SE31	Norra Mellansverige	1
SE	SE33	Övre Norrland	1

		Biotech	
MS	**NUTS2**	**Region**	**#**
DE	**DE21**	Oberbayern	2
FR	**FR10**	Île-de-France	2
PT	**PT1A**	Grande Lisboa	2
BE	**BE10**	Région de Bruxelles-Capitale / Brussels Hoofdstedelijk Gewest	1
BE	**BE21**	Prov. Antwerpen	1
DK	**DK04**	Midtjylland	1
DE	**DE14**	Tübingen	1
DE	**DE60**	Hamburg	1
DE	**DE71**	Darmstadt	1
DE	**DE72**	Gießen	1
DE	**DE91**	Braunschweig	1
DE	**DE92**	Hannover	1
DE	**DEA1**	Düsseldorf	1
DE	**DEA2**	Köln	1
DE	**DEB3**	Rheinhessen-Pfalz	1
DE	**DEC0**	Saarland	1
EE	**EE00**	Eesti	1
ES	**ES51**	Cataluña	1
IT	**ITC4**	Lombardia	1
IT	**ITH3**	Veneto	1
IT	**ITI1**	Toscana	1
IT	**ITI4**	Lazio	1
FI	**FI19**	Länsi-Suomi	1
FI	**FI1B**	Helsinki-Uusimaa	1
SE	**SE11**	Stockholm	1

TABLE A6.2: OVERVIEW OF THE COHESION PROGRAMME AMENDMENTS ACROSS EU MEMBER STATES AND REGIONS AS OF 31 MARCH 2025

MS	Title	ERDF (m EUR)	JTF (m EUR)	ESF+ (m EUR)	CF (m EUR)	Total (m EUR)
DE	Multi Funds Programme ERDF/JTF North Rhine-Westphalia 2021-2027	200.20	301.60			501.8
DE	Programme ERDF 2021-2027 Baden-Württemberg	62.22				62.2
DK	Green Technologies and Skills for a Just Transition		52.30			52.3
ES	Programme Catalonia ERDF 2021-2027	113.51				113.5
DE	Programme ERDF 2021-2027 Bavaria	104.54				104.5
DE	Programme ERDF 2021-2027 Schleswig-Holstein	47.00				47.0
ES	Programme Basque Country ERDF 2021-2027	33.12				33.1
LV	European Union Cohesion Policy programme 2021-2027	56.81				56.8
IT	RP Lazio ERDF 2021-2027	109.04				109.0
IT	Sicilia ERDF 2021-2027	615.20				615.2
IT	RP Sardegna ERDF 2021-2027	166.01				166.0
ES	Programme Cantabria ERDF 2021-2027	15.53				15.5
IT	RP Lombardia ERDF 2021-2027	120.00				120.0
FR	Programme Hauts de France ERDF-ESF+-JTF 2021-2027			34.87		34.9
IT	RP Campania ERDF 2021-2027	581.14				581.1
DE	Programme ERDF 2021-2027 Mecklenburg-Vorpommern	138.69				138.7
ES	Programme Community of Madrid ERDF 2021-2027	72.67				72.7
IT	RP Calabria ERDF ESF+ 2021-2027	264.45				264.5
ES	Programme Castilla y Leon ERDF 2021-2027	44.71				44.7
IT	RP Puglia ERDF ESF+ 2021-2027	471.53				471.5
ES	Programme Aragon ERDF 2021-2027	23.44				23.4
RO	Health	351.77		114.44		466.2
IT	RP Emilia-Romagna ERDF 2021-2027	61.46				61.5
IT	NP Research, innovation and competitiveness for green and digital transition 2021-2027	558.46				558.5
ES	Programme Region of Valencia ERDF 2021-2027	143.88				143.9
IT	RP Umbria ERDF 2021-2027	31.42				31.4

MS	Title	ERDF (m EUR)	JTF (m EUR)	ESF+ (m EUR)	CF (m EUR)	Total (m EUR)
RO	Smart growth, digitalization and financial instruments	271.01				271.0
FR	Programme régional Île-de-France et bassin de la Seine ERDF-ESF+ 2021-2027	35.19		12.48		47.7
DE	Bayern - ESF+			36.92		36.9
ES	Cantabria - ESF+			3.17		3.2
ES	Madrid - ESF+			63.82		63.8
RO	Education and Employment – RO – ESF+			572.63		572.6
LT	Programme for the European Union funds' investments in 2021–2027	58.55				58.6
NL	Programme ERDF 2021-2027 East Netherlands	15.65				15.7
AT	IJG/ERDF & JTF 2021-2027		17.74			17.7
ES	Pluri-regional programme Spain ERDF 2021-2027	9.32				9.3
PL	European Funds for Mazowsze 2021-2027	25.00				25.0
RO	Just Transition		266.33			266.3
Total		**38**	**4 801.5**	**638.0**	**838.3**	**0.0** **6 278**

TABLE A6.3: CALL FOR PROPOSALS LAUNCHED UNDER STEP BY FUNDING PROGRAMME

Sector	Programme	Topic of the call for proposal	Budget (in EUR m)	Open	Close
Clean and resource-efficient technologies	Innovation Fund	General decarbonisation - Large-Scale Projects	€1 700	Nov '23	Apr '24
		General decarbonisation - Medium-Scale Projects	€500	Nov '23	Apr '24
		General decarbonisation - Small-Scale Projects	€200	Nov '23	Apr '24
		Clean-tech manufacturing	€1 400	Nov '23	Apr '24
		Pilot projects	€200	Nov '23	Apr '24
		General decarbonisation - Large-Scale Projects	€1 200	Dec '24	Apr '25
		General decarbonisation - Medium-Scale Projects	€200	Dec '24	Apr '25
		General decarbonisation - Small-Scale Projects	€100	Dec '24	Apr '25
		Clean-tech manufacturing	€700	Dec '24	Apr '25

		Pilot projects	€200	Dec '24	Apr '25
		Manufacturing of electric vehicles battery cells	€1 000	Dec '24	Apr '25
	European Defence Fund	Energy-independent and energy-efficient systems for military camps	€40	Jun '24	Nov '24
		Naval hybrid propulsion and power systems	€20	Feb '25	Oct '25
	Horizon Europe (EIC)	Acceleration of advanced materials development and upscaling along the value chain	€50	Nov '24	
		Breakthrough innovations for future mobility	€50	Nov '24	
	Horizon Europe (Hydrogen Joint Undertaking)	Efficient electrolysis coupling with variable renewable electricity and/or heat integration	€6	Jan '25	Apr '25
		Innovative hydrogen and solid carbon production from renewable gases/biogenic waste processes	€8	Jan '25	Apr '25
		Demonstration of scalable ammonia cracking technology	€6	Jan '25	Apr '25
		Demonstration of stationary fuel cells in renewable energy communities	€5	Jan '25	Apr '25
		Large-scale Hydrogen Valley	€80	Jan '25	Apr '25
		Small-scale Hydrogen Valley			
Total Cleantech	€7 665				
Digital technologies	**Horizon Europe**	Quantum Space Gravimetry Phase-B study & Technology Maturation	€14	Nov '23	Apr '24
		Space technologies for European non-dependence and competitiveness	€20	Nov '23	Apr '24
	Horizon Europe (EIC)	GenAI4EU: Creating European Champions in Generative AI	€50	Nov '24	
		Innovative in-space servicing, operations, space-based robotics and technologies for resilient EU space infrastructure	€50	Nov '24	
	Digital Europe Programme	Making available a high performing open-source European foundation model for fine-tuning	€25	Feb '24	May '24
		Reference deployments of European cloud-edge services	€30	Feb '24	May '24

		(industrial IoT Edge and Telco Edge developments)			
		Specialised Education Programmes in Key Capacity Areas	€55	Jul '24	Nov '24
		Unmanned collaborative combat aircraft (U-CCA) systems	€15	Jun '24	Nov '24
		Secured and adaptive underwater communications for UUSs	€24	Jun '24	Nov '24
		Methods for bridging reality gaps	€15	Jun '24	Nov '24
		Electronic components	€25	Jun '24	Nov '24
		Quantum technologies	€24	Jun '24	Nov '24
		AI-based multifunctional aperture and transceiver	€45	Jun '24	Nov '24
		Defence multi-dimensional communication standard	€25	Jun '24	Nov '24
		Small enhanced European UAS	€11	Jun '24	Nov '24
		Next-Generation Cooperative Cyber Range	€48	Jun '24	Nov '24
	European Defence Fund	Secure waveform for satellite communications	€25	Jun '24	Nov '24
		Multipurpose unmanned ground systems	€50	Jun '24	Nov '24
		Simulation and training for medical emergencies	€10	Jun '24	Nov '24
		Multifunctional Information Distribution System	€39	Feb '25	Oct '25
		Chiplet for Defence Application	€25	Feb '25	Oct '25
		Live, Virtual, Constructive training interoperability – Joint operations and service-specific solutions	€15	Feb '25	Oct '25
		Risk, robustness and resilience for autonomous vehicles in military operations	€20	Feb '25	Oct '25
		Privacy-preserving human-AI dialogue systems – Participation in a technological challenge	€20	Feb '25	Oct '25
		Multiband 4D Radar	€29.5	Feb '25	Oct '25
		Technologies for optronic detectors	€29	Feb '25	Oct '25

		Improved cyber defence operations capabilities	€34	Feb '25	Oct '25
		Land collaborative combat including air-land	€44	Feb '25	Oct '25
		Digital Ship and Naval Combat Cloud	€54	Feb '25	Oct '25
		Advanced underwater networks	€25	Feb '25	Oct '25
Total digital tech		**€896**
Biotechnologies	**EU4Health**	The European Vaccines Development Hub (EVH)	€102	May '24	Sep '24
		Call for proposals to support the development of novel antivirals	€10	May '24	Sep '24
		Call for proposals to support innovative manufacturing technologies and processes in the Union for medicines production	€17	May '24	Sep '24
		Speed up the Development of and Access to Innovative Medical Countermeasures: Next-Generation Influenza Vaccines (*Procurement*)	€225	Mar '25	May '25
		Development of a rapid point-of-care antimicrobial susceptibility testing diagnostic medical device (*Procurement*)	€12.86	Mar '25	May '25
	European Defence Fund	Defence medical countermeasures Alliance – Research actions	€15		
		Defence medical countermeasures Alliance – Development actions	€10		
		Defence medical countermeasures Alliance – Research actions	€13.5		
		Defence medical countermeasures Alliance – Development actions	€11.5		
	Horizon Europe (EIC)	Biotechnology driven low emission food production systems	€50	Nov '24	
Total biotech		**€467**
All sectors	Horizon Europe (EIC)	**EIC Strategic Technologies for Europe Platform (STEP) Scale Up Call**	**€300**	**Nov '24**	

General total		€9 448[102]	

TABLE A6.3: STEP SEALS AWARDED BY FUNDING PROGRAM

Funding Programme	Number of STEP Seals awarded
Innovation Fund	149
EU4Health	7
Horizon Europe	6
Horizon Europe (EIC)	11
Digital Europe Programme	17

---

[102] This amount excludes €238 million from the two procurement calls under EU4Health displayed in the table and includes respectively €208 million and €150 million from calls for proposals being launched after 31 March 2025 under respectively Digital Europe and Horizon Europe.