



Brussels, 20 February 2026
(OR. en)

6338/26
ADD 1

**Interinstitutional File:
2025/0390 (APP)**

**COMPET 185
RECH 61
FIN 269
ENER 69**

NOTE

From: Permanent Representatives Committee (Part 1)
To: Council

No. prev. doc.: 6123/26
No. Cion doc.: 16710/25 + ADD 1 + ADD 2

Subject: COUNCIL DECISION laying down the measures necessary for the implementation of Protocol No 37 on the financial consequences of the expiry of the ECSC Treaty and on the Research Fund for Coal and Steel - General Approach

Proposal for a COUNCIL DECISION laying down the measures necessary for the implementation of Protocol No 37 on the financial consequences of the expiry of the ECSC Treaty and on the Research Fund for Coal and Steel, annexed to the Treaty on European Union and to the Treaty for the Functioning of the European Union

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to Protocol No 37 on the financial consequences of the expiry of the ECSC Treaty and on the Research Fund for Coal and Steel, annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union, and in particular Article 2, first paragraph, thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the consent of the European Parliament¹,

Acting in accordance with a special legislative procedure,

Whereas:

- (1) The Treaty establishing the European Coal and Steel Community expired on 23 July 2002 in accordance with Article 97 of that Treaty. All assets and liabilities of the European Coal and Steel Community (ECSC) were transferred to the European Community on 24 July 2002.

¹ OJ C , , p. .

- (2) In accordance with Protocol No 37 on the financial consequences of the expiry of the ECSC Treaty and on the Research Fund for Coal and Steel, annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union ('the Protocol'), the net worth of the assets and liabilities, as they appear in the balance sheet of the ECSC, is to be considered as assets intended for research in the sectors related to the coal and steel industry ('the assets'), referred to as the 'ECSC in liquidation', and, on completion of the liquidation, as the 'assets of the Research Fund for Coal and Steel'.
- (3) The Protocol also provides that the revenue from those assets, referred to as the 'Research Fund for Coal and Steel' (RFCS), is to be used exclusively for research, outside the research framework programme, in the sectors related to the coal and steel industry in accordance with the provisions of the Protocol and of acts adopted on the basis thereof.
- (4) On 1 February 2003 the Council adopted Decision 2003/76/EC², which laid down the rules for implementing the Protocol.
- (5) Already for some years due to the low interest rates, the value of the produced revenues assigned for the funding of research projects for coal and steel is rapidly decreasing and the assets are not generating enough revenues to fund the current annual RFCS allocation of EUR 111 million to calls, established by Decision 2003/76/EC. In consequence, in 2024 and in 2025 calls were entirely financed by the sale of assets, given that there were losses for 2022 and 2023. For 2026, and possibly subsequent years, the realised profit will cover a part of the annual allocation, but it is not expected to be sufficient to allow for a meaningful work programme.

² Council Decision 2003/76/EC of 1 February 2003 establishing the measures necessary for the implementation of the Protocol, annexed to the Treaty establishing the European Community, on the financial consequences of the expiry of the ECSC Treaty and on the Research Fund for Coal and Steel (OJ L 29, 5.2.2003, p. 22, ELI: [http://data.europa.eu/eli/dec/2003/76\(1\)/oj](http://data.europa.eu/eli/dec/2003/76(1)/oj)).

- (6) As part of its efforts to strengthen the competitiveness of the Union steel sector and safeguard the industry's future, the Commission committed in the European Steel and Metals Action Plan, published on 19 March 2025³, to simplify and further accelerate investments in steel research. The acceleration should reflect the sector's needs.
- (7) The energy transition away from fossil energy sources, especially coal, currently represents a challenge, also with regard to the need to ensure a just transition, notably for industries and workers in coal dependent regions. Further challenges include mitigating methane emissions from coal mines and contributing to the implementation of Regulation (EU) 2024/1787 of the European Parliament and of the Council⁴.
- (8) From August 2027 onwards, it is expected that the ECSC in liquidation will have no liabilities nor receivables, meaning the completion of the liquidation.
- (9) The sale of part of the ECSC in liquidation and, on completion of the liquidation, the assets of the Research Fund for Coal and Steel to finance research projects in the coal and steel sectors is possible in view of the absence of liabilities of the Fund.

³ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 'A European Steel and Metals Action Plan', COM(2025) 125 final.

⁴ Regulation (EU) 2024/1787 of the European Parliament and of the Council of 13 June 2024 on the reduction of methane emissions in the energy sector and amending Regulation (EU) 2019/942 (OJ L, 2024/1787, 15.7.2024, ELI: <http://data.europa.eu/eli/reg/2024/1787/oj>).

- (10) In light of the combined financial changes and policy considerations, the size of the Research Programme should be set in such a way to ensure that the assets of the Fund can be used and correctly implemented in accordance with the objectives of the Protocol and the principles of sound financial management. The need to ensure a critical mass for the size of the Research Programme cannot be achieved by using only revenues or a limited part of the remaining assets of the Fund. The amounts needed for the Research Programme will require the use of all the assets of the RFCS. Therefore, it should be possible to use the remaining assets of the RFCS to provide meaningful support for worthwhile collaborative research projects that have the critical mass to create Union added value, specifically in the sectors of coal and steel outside the framework programme for research of the Union.
- (11) The Clean Industrial Deal Communication⁵ and the European Steel and Metals Action Plan support the business case for large investments to happen in the Union in the coming years, including for the steel industry. Following this political incentive, the Research Fund for Coal and Steel should contribute to a rapid transition by financing part of the necessary research efforts, including preparatory research for large investments and additional research efforts supporting the deployment of large-scale investments.
- (12) Calls from 2027 to 2033 of up to EUR 120 million annually, and in 2034 of an amount equivalent to the available remaining unallocated assets are expected to leverage private investment to enhance competitiveness and accelerate industrial transformation of the coal and steel sectors towards green transition and decarbonisation. Appropriate annual allocations should therefore be established to enable such calls and allow for meaningful support until 2034 inclusive.

⁵ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions ‘The Clean Industrial Deal: A joint roadmap for competitiveness and decarbonisation’, COM(2025) 85 final.

- (13) In order to fully assign the net revenue from the investments and to facilitate the increase of the allocation for 2027 from EUR 111 million to up to EUR 120 million, it is appropriate to shorten the delay in allocating it, by making the allocation in year n+1 covered by the balance sheet of the assets for year n for closed balance sheets for the years 2026 to 2033, , while maintaining the annual allocations already established by Decision 2003/76/EC.
- (14) The current repartition of budget allocations between coal and steel research, of 27.2% and 72.8% respectively, is supported by both sectors and remains appropriate considering their respective needs and absorption capacities.
- (15) In order to be able to adapt to the possible research funding needs of the coal or steel sector in case of insufficient absorption of the other sector, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission to amend this Decision to change the percentage of funding allocated to coal-related research and to steel-related research in 2034, if necessary, to enable the full use of the assets. It is of particular importance that the Commission carries out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making⁶. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council shall receive all documents at the same time as Member States' experts, and their experts shall systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.
- (16) Decision 2003/76/EC should therefore be replaced. However, until the liquidation of the ECSC is completed, it is appropriate to maintain the application of Article 1 of that Decision until the completion of the the financial operations of the ECSC in liquidation.

⁶ OJ L 123, 12.5.2016, p. 1, ELI: http://data.europa.eu/eli/agree_interinstit/2016/512/oj.

HAS ADOPTED THIS DECISION:

Article 1

The Commission is entrusted with laying down the measures necessary for implementing Protocol No 37 on the financial consequences of the expiry of the ECSC Treaty and on the Research Fund for Coal and Steel, annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union.

The Commission is entrusted with managing the financial operations of the ECSC in liquidation and, on completion of the liquidation, of the assets of the Research Fund for Coal and Steel ('the assets').

Article 2

1. The Commission shall manage the assets in such a manner as to keep an annual allocation of up to EUR 120 million for the years 2027 to 2033 inclusive to finance research in the sectors related to the coal and steel industry. Remaining unallocated assets shall be part of an allocation for the year 2034 equal to the market value of these assets at the moment of the transfer to the Research Fund for Coal and Steel, taking into account the market conditions. This allocation shall be used to finance research in the sectors related to the coal and steel industry in this and the following years.

2. Research activities for steel shall focus on sustainable and low-carbon steelmaking and finishing processes, creating advanced steel products and lead markets, conservation of resources and circular economy, development of skills and working conditions and the use of digital technologies. Research activities related to coal research projects shall focus on managing the just transition, including repurposing, of formerly operating coal mines or coal mines in the process of closure and related infrastructure, including the regions in which they are located, in accordance with Regulations (EU) 2021/523⁷, (EU) 2021/1056⁸ and (EU) 2021/1229⁹ of the European Parliament and of the Council and in compliance with Article 4(2) of this Decision.
3. The annual allocation of the amount set out in paragraph 1 shall be constituted of the net revenue from the investments, and the cash amount to be generated by selling part of the assets.

Article 3

1. Each year a profit-and-loss account, balance sheet and financial report shall be drawn up to show, separately from the other financial operations of the Union, the investment transactions and asset management operations under Article 2.

Those financial statements shall be annexed to the financial statements drawn up by the Commission annually under Article 318 of the Treaty on the Functioning of the European Union (TFEU) and Article 247 of Regulation (EU, Euratom) 2024/2509.

⁷ 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 (OJ L 107, 26.3.2021, p. 30, ELI: <http://data.europa.eu/eli/reg/2021/523/oj>).

⁸ Regulation (EU) 2021/1056 of the European Parliament and of the Council of 24 June 2021 establishing the Just Transition Fund, (OJ L 231, 30.6.2021, p. 1 ELI: <http://data.europa.eu/eli/reg/2021/1056/oj>).

⁹ Regulation (EU) 2021/1229 of the European Parliament and of the Council of 14 July 2021 on the public sector loan facility under the Just Transition Mechanism, (OJ L 274, 30.7.2021, p. 1, ELI: <http://data.europa.eu/eli/reg/2021/1229/oj>).

2. The powers of the European Parliament, the Council and the Court of Auditors concerning control and discharge as set out in the TFEU and in Regulation (EU, Euratom) 2024/2509 shall apply to the transactions and operations referred to in paragraph 1 of this Article.

Article 4

1. Net revenue from the investments provided for under Article 2 and the cash amounts to be generated by selling part of the assets shall constitute revenue in the general budget of the Union. Those revenue and cash amounts shall be earmarked for the specific purpose of financing research projects in the sectors related to the coal and steel industry not covered by the Research Framework Programmes. It shall form the Research Fund for Coal and Steel and shall be managed by the Commission.
2. The revenue and cash amounts referred to in paragraph 1 shall be distributed in work programmes, with 27,2% allocated to coal-related research and 72,8% allocated to steel-related research.

The Commission is empowered to adopt delegated acts in accordance with Article 7 to change the percentage of funding allocated to coal-related research and to steel-related research laid down in the first subparagraph if necessary to enable full use of the assets in 2034.

3. The revenue and cash amounts earmarked under paragraph 1 and still available on 31 December in any given year, as well as amounts recovered, shall be carried over automatically to the following year.

4. Budgetary appropriations corresponding to cancellations of commitments shall automatically lapse at the end of each financial year. Provisions for commitments released as a result of the cancellations shall be made available to the Research Fund for Coal and Steel.

Article 5

The revenue and cash amounts available to finance research projects for year n+1 shall be recorded in the balance sheet of the ECSC in liquidation of year n and, on completion of the liquidation, in the balance sheet of the assets of the Research Fund for Coal and Steel of year n, until the allocation of the remaining assets in 2033 for 2034.

Article 6

Administrative expenditure resulting from liquidation, investment and management operations referred to in this Decision, shall be met by the Commission from the general budget of the Union.

Article 7

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.
2. The power to adopt delegated acts referred to in Article 4(2), second subparagraph, shall be conferred on the Commission for a period of eight years from the date of entry into force of this Decision.
3. The delegation of power referred to in Article 4(2), second subparagraph, may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making.
5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.
6. A delegated act adopted pursuant to Article 4(2), second subparagraph, shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by one month at the initiative of the European Parliament or of the Council.

Article 8

Decision 2003/76/EC is repealed.

However, Article 1 of Decision 2003/76/EC shall continue to apply to the financial operations of the ECSC in liquidation until the completion of the liquidation of the ECSC in liquidation.

Article 9

This Decision shall enter into force on the twentieth day following its publication in the *Official Journal of the European Union*.

Done at Brussels,

For the Council
The President
