



Council of the  
European Union

Brussels, 20 March 2023  
(OR. en)

7610/23

LIMITE

RECH 101  
COASI 64

## COVER NOTE

---

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	17 March 2023
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union

---

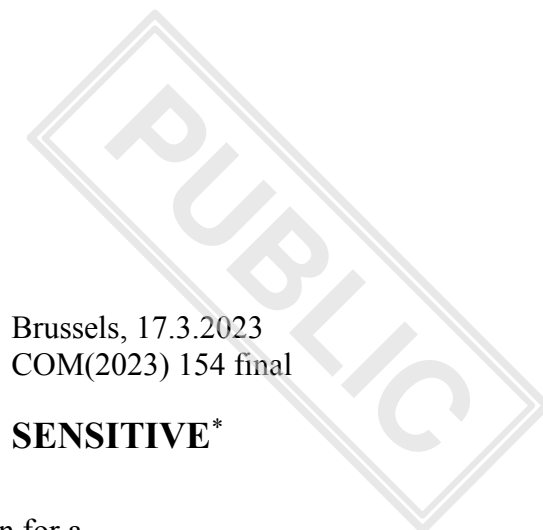
No. Cion doc.:	COM(2023) 154 final
Subject:	Recommendation for a COUNCIL DECISION authorising the opening of negotiations on behalf of the European Union for the conclusion of an Agreement between the European Union, of the one part, and the Republic of Korea, of the other part, on the participation of the Republic of Korea in Union programmes and of a protocol on the association of the Republic of Korea to Horizon Europe – the Framework Programme for Research and Innovation (2021-2027)

---

Delegations will find attached document COM(2023) 154 final.

---

Encl.: COM(2023) 154 final



Brussels, 17.3.2023  
COM(2023) 154 final

**SENSITIVE\***

Recommendation for a

**COUNCIL DECISION**

**authorising the opening of negotiations on behalf of the European Union for the conclusion of an Agreement between the European Union, of the one part, and the Republic of Korea, of the other part, on the participation of the Republic of Korea in Union programmes and of a protocol on the association of the Republic of Korea to Horizon Europe – the Framework Programme for Research and Innovation (2021-2027)**

---

\* Distribution only on a 'Need to know' basis - Do not read or carry openly in public places. Must be stored securely and encrypted in storage and transmission. Destroy copies by shredding or secure deletion. Full handling instructions <https://europa.eu/db43PX>

## **EXPLANATORY MEMORANDUM**

### **1. CONTEXT OF THE RECOMMENDATION**

With this recommendation, the European Commission recommends that the Council of the European Union authorise the opening of negotiations between the European Union and the Republic of Korea on an agreement covering the participation of Republic of Korea to Union programmes and of a protocol associating Republic of Korea to Horizon Europe – the Framework Programme for Research and Innovation (2021-2027).

### **2. SCIENCE AND TECHNOLOGY COOPERATION WITH REPUBLIC OF KOREA**

The European Union and the Republic of Korea (Korea) have a history of good cooperation in research and innovation (R&I). This cooperation is based upon the Strategic Partnership (2010), the Agreement on Scientific and Technological Cooperation (2007)<sup>1</sup> as well as a Roadmap for the EU-Korea Science and Technology Cooperation (2018). Notably, the two sides launched a Digital Partnership in November 2022 and negotiations are advancing on a Green Partnership – both of which foresee enhanced cooperation in R&I.

In line with the Global Approach to Research and Innovation<sup>2</sup> (the EU's strategy on international cooperation on R&I), the EU has offered Korea the possibility of becoming associated to the EU's Framework Programme (FP) for Research and Innovation 'Horizon Europe' (2021-2027). Association offers the closest form of R&I cooperation between the EU and a third country.

The EU association offer to Korea is limited to Pillar II of the Horizon Europe programme, which focuses on collaborative research on the 'Global Challenges and European Industrial Competitiveness'.

Korea maintains a very strong R&I capacity in a wide array of research fields and operates a number of the world's top research infrastructures. According to OECD, its R&D expenditure represents 4.64% of GDP (2019). Korea ranks fifth among the 132 economies featured in the Global Innovation Index 2021, and in the 2019 Global Competitiveness Report by the World Economic Forum, Korea ranks thirteenth in terms of innovation capability.

With several dedicated governmental programmes and frameworks for R&I, Korea has a high concentration of patents in diverse sectors. Those include functional organic material technology, multifunctional fusion and composite technology, wireless power transmission and charging technology, high-efficiency solar cell technology, ultra-high integration semiconductor process and equipment and material technology. According to the World Intellectual Property Indicators, with 8,249 resident patent applications per unit of USD 100 billion GDP, Korea appeared to be the country filing the most patent applications in 2020.

In this context, Korea is a key R&I partner for the EU in Asia. However, the current level of collaboration / participation of Korean researchers and research entities in the FP for R&I Horizon Europe is far below its potential and the financial resources allocated by the Korean

---

<sup>1</sup> Agreement on the Scientific and Technological Cooperation between the European Community and the Government of the Republic of Korea, (OJ L 106, 24.4.2007, p. 44).

<sup>2</sup> Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the Global Approach to Research and Innovation Europe's strategy for international cooperation in a changing world, (COM/2021/252 final).

government to support Korean researchers under the previous FP for R&I Horizon 2020 have been low.

Association would unlock a plethora of possibilities for a broader and more systematic EU-Korea collaboration in many strategic fields covered by Horizon Europe's Pillar II 'Global Challenges and European Industrial Competitiveness', such as digital technologies, clean energy, climate, ocean and environmental research, health, nanotechnologies and satellite navigation etc. The association of Korea to Horizon Europe will allow Korean entities to participate in Pillar II actions on par with entities of the Member States and other Associated Countries.

Association should have positive spill-over effects on the implementation of the EU-Korea Digital Partnership (from February 2023), which seeks to enhance collaboration on cutting-edge technologies linked to Artificial Intelligence (AI), cybersecurity, semiconductors, High Performance Computing, quantum technology, 5G/beyond 5G and 6G, digital standardisation, and other emerging areas of technology.

Association should also feed in the forthcoming EU-Korea Green Partnership, in particular in relation to research collaboration on low carbon technologies, including in the context of the multilateral Mission Innovation initiative<sup>3</sup>, and in support of bioeconomy.

Moreover, an association to Horizon Europe's Pillar II will facilitate the access and active involvement of Korean entities and authorities in the European Partnerships, where the EU, Associated Countries and relevant private and/or public partners commit to building a critical mass of investments and implementing shared objectives through a programme of joint activities.

### **3. BACKGROUND - THE AGREEMENT COVERING THE PARTICIPATION OF REPUBLIC OF KOREA TO ANY UNION PROGRAMME AND THE PROGRAMME-SPECIFIC PROVISIONS**

On 14 February 2022, by a Letter of Intent, Korea expressed its formal interest to associate to Horizon Europe. The Ministry of Science and Information Technology (MSIT) will be leading the negotiations on the side of Korea. Technical exchanges have started in 2019 with the objective to achieve a common understanding about the association's potential, its benefits and implications. Besides a number of technical discussions at expert-level, four rounds of exploratory talks were held in the course of 2022 and 2023. In January 2023, a joint ambition was reached to use the occasion of the next EU-Korea Summit (planned for 22 May 2023) to announce the (imminent) launch of formal negotiations on Korea's association to the Horizon Europe programme.

Article 16(1) (d) and (2) of the Horizon Europe Regulation<sup>4</sup> concerning the association of third countries to the programme provides that third countries and other territories participate in the programme based on an agreement covering the participation of the third country to any Union programme.

The European Commission has conducted a qualitative assessment of the criteria applicable to all countries in the category defined by Article 16(1)(d) of the Horizon Europe Regulation.

These criteria are the following:

<sup>3</sup> [Mission Innovation – Catalysing Clean Energy Solutions for All \(mission-innovation.net\)](https://mission-innovation.net)

<sup>4</sup> Regulation (EU) 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, and repealing Regulations (EU) No 1290/2013 and (EU) No 1291/2013, (OJ L 170, 12.5.2021, p.1).

- (1) a good capacity in science, technology and innovation;
- (2) commitment to a rules-based open market economy, including fair and equitable dealing with intellectual property rights, respect of human rights, backed by democratic institutions;
- (3) active promotion of policies to improve the economic and social well-being of citizens.

This assessment confirmed that Korea fulfils the above cumulative requirements, as explained below.

Korea's excellent research and innovation capacity (based on the figures presented above) is complemented by progressive national policies that support research and innovation and protect intellectual property rights. Korea also has the greatest share of researchers who move from industry to academia.

Korea is committed to a rules-based open market economy, including fair and equitable dealing with intellectual property rights, respect of human rights, backed by democratic institutions. This commitment is also reflected in the Free Trade Agreement between the European Union and the Republic of Korea the Framework Agreement between the European Union and its Member States, on the one part, and the Republic of Korea.

The 2022 edition of the Freedom in the World Report<sup>5</sup>, which tracks global trends in political rights and civil liberties for 50 years, based on a series of 25 indicators, Korea reached 83 points, out of the maximum score of 100.

Korea has an advanced market economy that is open to the world. It is a member of the key international and intergovernmental organisations (G20, OECD, WTO, GATT, WHO, IAEA etc.) and the EU-Korea Free Trade Agreement<sup>6</sup> is in force since 2015.

In relation to intellectual property (IP), Korea is committed to reinforcing IP protection by reforming the relevant IP laws. The Patent Act<sup>7</sup> was revised in 2019 and amendments have been proposed to the Utility Model Act<sup>8</sup> and to the Design Protection Act<sup>9</sup>. The Trademark Act<sup>10</sup> is in force since 2016. The Korean Intellectual Property Office is responsible for all aspects of patents, utility models and industrial designs.

The assessment also concluded that Korea actively promotes policies to improve the economic and social well-being of its citizens. Korea's high ranking (0.925) in the UN Human Development Index illustrates this point. It also performs well on the OECD indicators for e.g. in relation to life expectancy, health, social protection, education, gender equality and on the UN's Sustainable Development Goals.

In accordance with Article 16(3) of the Horizon Europe Regulation, the scope of association of each third country to the Programme has to take into account also an analysis of the

---

<sup>5</sup> The Freedom in the World is a yearly survey and report by US-based non-governmental organization Freedom House. It produces annual scores measuring the level of political rights and civil liberties in each country and territory, on a scale from 1 (most free) to 7 (least free). Depending on the ratings, the nations are then classified as "Free", "Partly Free", or "Not Free".

<sup>6</sup> Free trade Agreement between the European Union and its Member States, of the one part, and the Republic of Korea, of the other part, (OJ L 127, 14.5.2011, p. 6).

<sup>7</sup> See Internet: <https://www.kipo.go.kr/upload/en/download/PatentAct.pdf>

<sup>8</sup> See Internet: [https://www.kipo.go.kr/upload/en/download/UTILITY%20MODEL%20ACT\\_201308](https://www.kipo.go.kr/upload/en/download/UTILITY%20MODEL%20ACT_201308)

<sup>9</sup> See Internet: <https://www.kipo.go.kr/upload/en/download/DesignAct.pdf>

<sup>10</sup> See Internet: <https://www.kipo.go.kr/upload/en/download/TrademarkAct.pdf>

benefits for the Union and the objective of driving economic growth in the Union through innovation.

When assessing the expected benefits for the Union of a prospective association of Korea to Horizon Europe, the Commission has considered EU interests in terms of global access to scientific excellence, delivering on the policy priorities of the Union, notably the green and digital transitions and Sustainable Development Goals, as well as generating economic and political benefits. The Commission used various data and statistics sources<sup>11</sup> and available reports on science, research and innovation.

The association of Korea to Horizon Europe is expected to bring significant benefits to the Union, as it would provide the widest possible access to Korea's excellent research and innovation talents, its top-notch research infrastructure and world-leading research institutions. The association would allow for broader collaboration on cutting-edge technologies and facilitate the development of the most effective solutions to global challenges.

Considering Korea's scientific excellence and top innovation capacity across various thematic areas, specific benefits should accrue in the areas of health research, digital technologies, hydrogen and renewable energy, advanced materials, nanotechnologies, space etc. Those benefits will boost sectoral cooperation and contribute to the implementation of the EU-Korea Free Trade Agreement by creating new market opportunities and stronger business links. It will also reinforce our strategic partnership with Korea as a like-minded country in the changing geo-political context.

In addition, in view of the multidisciplinary nature of collaborative R&I projects under Horizon Europe, the EU will be better placed to enhance its innovativeness and competitiveness with positive spill-overs for economic growth and job creation.

Moreover, under association, the EU and Korea will regularly engage in the governance structures of the Horizon Europe programme (e.g. thematic Programme Committee configurations) where Korea will have an observer status.

When reflecting on the scope of association, the objectives of Pillar I and Pillar III of the Programme were also considered: to strengthen the EU's own Science & Technology base, build-up European R&I capabilities and attract knowledge and talents to Europe, as well as enhancing the innovation ecosystems in Europe. Given these objectives and the potential implication on the competitiveness of the Union, Pillar II with its focus on global challenges was considered the most appropriate for opening to association of Korea, without prejudice to any decisions concerning a different scope of possible future associations should it be in the EU's interest. In view of Korea's past participation in the EU FPs for R&I and its excellent R&I capacity, the potential for enhanced cooperation is vast.

Based on the above arguments and in efforts to step up good cooperation between the EU and Korea<sup>12</sup>, explore mutual advantages of Korea's association to Horizon Europe and establish

---

<sup>11</sup> This includes: the CORDA data base of the European Commission (concerning research projects where the EU and Korea successfully cooperated under the Union's Research and Innovation Framework Programmes, and resulting publications and peer-reviewed publications); Eurostat data on statistical classification of economic activities in the European Community (regarding value added and employment of selected European sectors where the EU and Korea cooperated); the JRC's PREDICT study (concerning value added and employment trends for the economic activity of ICT); the OECD publications and the Science, Research and Innovation performance (SRIP) reports of the EU.

<sup>12</sup> In Horizon 2020, Korea had 117 participations in 84 projects with the total cost of EUR 24 million.

the general framework for Korea's participation in any Union programme, it is recommended to authorise the opening of negotiations on an agreement with the following content:

- The general principles relevant for the participation of Korea to Union programmes, including its financial contributions;
- Programme-specific terms and conditions regarding the association of Korea to Pillar II 'Global Challenges and European Industrial Competitiveness' of Horizon Europe, subject to the terms and conditions set out in Horizon Europe Regulation, Council Decision (EU) 2021/764<sup>13</sup> and any other rules pertaining to the implementation of the Programme in their most up to date versions.

The proposed agreement will set out the general conditions applicable to any potential participation in other Union programmes, to be complemented with programme-specific terms and conditions in the form of protocols to the agreement.

Regarding the programme-specific terms and conditions providing for the association of Korea to Horizon Europe, they should provide for an association to Pillar II of Horizon Europe, as set out in Article 4(1)(b) and in accordance with Article 16(3) of the Horizon Europe Regulation.

The proposed agreement will set out fair and balanced conditions concerning Korea's financial contribution. The agreement will include, as far as possible, a reciprocity clause, ensuring that legal entities established in the Union will have access to participate in the Korean research and innovation programmes that are equivalent to Pillar II of Horizon Europe, in accordance with the conditions laid down in the domestic legislation of Korea.

#### **4. LEGAL BASIS**

The procedural legal basis for the recommended Council decision is Article 218(3) and (4) TFEU. The substantive legal bases are Article 112 TFEU and Article 186 TFEU, given the double equally important purpose of the envisaged agreement, i.e. to create a long-lasting general framework for Korea's participation in any Union programme and to associate Korea to the Union Framework Programme for Research and Innovation.

---

<sup>13</sup> Council Decision (EU) 2021/764 of 10 May 2021 establishing the Specific Programme implementing Horizon Europe – the Framework Programme for Research and Innovation, and repealing Decision 2013/743/EU (OJ EU L 167I, 12.5.2021, p.1).

Recommendation for a

## COUNCIL DECISION

**authorising the opening of negotiations on behalf of the European Union for the conclusion of an Agreement between the European Union, of the one part, and the Republic of Korea, of the other part, on the participation of the Republic of Korea in Union programmes and of a protocol on the association of the Republic of Korea to Horizon Europe – the Framework Programme for Research and Innovation (2021-2027)**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 186 and 212, in conjunction with Article 218(3) and (4) thereof,

Having regard to the recommendation from the European Commission,

Whereas the Republic of Korea fulfils the criteria outlined in Article 16(1)(d) of Regulation (EU) 2021/695 of the European Parliament and of the Council<sup>14</sup>, notably it has a good capacity in science, technology and innovation; it is committed to a rules-based open market economy, including fair and equitable dealing with intellectual property rights, respect of human rights, backed by democratic institutions; and it actively promote policies to improve the economic and social well-being of citizens,

Whereas the negotiations should be opened with a view to concluding an agreement on the participation of the Republic of Korea in Union programmes and a protocol on the association of the Republic of Korea to Horizon Europe – the Framework Programme for Research and Innovation (2021-2027),

HAS ADOPTED THIS DECISION:

### *Article 1*

The European Commission is hereby authorised to negotiate, on behalf of the Union, an agreement on the participation of the Republic of Korea in Union programmes and a protocol on the association of the Republic of Korea to Horizon Europe – the Framework Programme for Research and Innovation (2021-2027).

### *Article 2*

The negotiating directives are set out in the annex to this Decision.

---

<sup>14</sup> Regulation (EU) 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, and repealing Regulations (EU) No 1290/2013 and (EU) No 1291/2013 (OJ L 170, 12.5.2021, p.1).



*Article 3*

The negotiations shall be conducted in consultation with the [*Special Committee provided for in Article 218 (4) TFEU*].

*Article 4*

This Decision is addressed to the European Commission.

Done at Brussels,

*For the Council  
The President*

