



COVERSHEET

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

List of documents that have been proactively released

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

Information redacted

YES / NO

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

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

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Office of the Minister for Research, Science and Innovation

Cabinet Economic Development Committee (DEV)

New Zealand Association to Horizon Europe: Negotiating Mandate

Proposal

- 1 This paper seeks a negotiating mandate to start negotiations for New Zealand to become an Associate Member to Horizon Europe, the European Union's (EU) framework programme for research and innovation.

Relation to government priorities

- 2 Association to Horizon Europe will contribute to achievement of the Government's economic plan, outlined by the Minister of Finance in his June 2022 Economic Strategy letter to Ministerial colleagues. The plan focuses on building a high wage, low emissions economy that gives economic security in good times and bad, that requires addressing the major long-term challenges and opportunities our economy faces. These objectives align with those of Horizon Europe.
- 3 The Economic Plan also seeks strengthened international connections to which Horizon Europe Association will contribute. Association would strengthen New Zealand's relationship with the EU and its member states, building on the foundation established by the 2009 New Zealand – EU Science and Technology Cooperation Agreement, and the 2022 New Zealand – EU Free Trade Agreement.
- 4 Association to Horizon Europe is congruent with and will substantively contribute to the Government's intended reform of the New Zealand Research, Science and Innovation (RSI) system, Te Ara Paerangi – Future Pathways. This reform identifies international connectivity and integration into the global research system as key priorities, as they allow New Zealand to contribute to resolving global issues and access knowledge developed elsewhere. Horizon Europe Pillar Two's focus on Clusters and Missions closely aligns with the National Research Priorities framework identified in the Te Ara Paerangi – Future Pathways White Paper and will represent a meaningful investment in the international research cooperation necessary to optimise delivery and impact of the framework.
- 5 Investment in Association will also represent a step towards the Government's intention to increase investment in R&D to 2% of GDP by 2030.
- 6 Climate change research is a core mission of the Horizon Europe research programme. Association to Horizon Europe would advance our efforts to promote sustainable international solutions to global climate change challenges that have an impact on Aotearoa New Zealand.

Executive Summary

- 7 Horizon Europe is the European Union's main research and innovation framework and funding platform. It is the world's largest multilateral research programme, both

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in terms of the number of participants and the research funding dedicated to the programme (€95.5 billion ≈ \$NZ160 billion).

8 New Zealand is among a small first set of countries beyond Europe to be invited to Associate to Pillar Two of Horizon Europe: Global Challenges and European Industrial Competitiveness (€53.5 billion). As well as being an important signal of our deepening strategic relationship with Europe, Association to Horizon Europe would have significant benefits for our science system by enabling New Zealand researchers to gain access to Pillar Two programmes and funding on the same terms as their European counterparts. This is expected to facilitate collaboration between New Zealand and European researchers on topics important to our national interest.

9 In June 2022 Prime Minister Ardern and European Commission President von der Leyen jointly announced the two sides' intent to enter into formal negotiations. This paper seeks a formal mandate for those negotiations.

10 Association to Horizon Europe is through a Treaty-level Agreement between New Zealand and the European Union. This treaty is in two parts: the main agreement, which establishes a lasting framework for cooperation between New Zealand and the EU both within and beyond the field of research, science and innovation, with clear conditions for New Zealand to participate in EU programme and activities. The second part is a Protocol which outlines the specifics of Association to Horizon Europe, lasting from 2023-2028, with the possibility of Protocols on other EU programmes being added to the main Agreement at a later date.

11 The core issues under negotiation relate to the scope of access, reciprocity of research standards, and costs. Substantive negotiation issues are summarised in **Annex One**.

12 The proposed costing model is based on the Associating Member agreeing to reimburse the Commission for monies that successful New Zealand research institutions win through a contestable grants process, alongside a small ongoing administration fee. **National economy**

[Redacted]

14 Negotiations are expected to be relatively straight-forward, and the EU has continued to signal a strong wish to proceed quickly. Since the Treaty verification by member states could take up to two years, we anticipate entering into a provisional agreement pending ratification.

15 **National economy**

[Redacted]

16 Confidential advice to Government

Background

- 17 New Zealand’s science relationship with the European Union (the EU) is underpinned by the 2009 New Zealand – European Union Science and Technology Cooperation Agreement. The Agreement was established to strengthen research cooperation. It envisaged reciprocal access to research funding and set out principles around intellectual property protection. However, this agreement does not facilitate New Zealand’s full participation in the EU’s major research platforms.
- 18 In early 2021 the European Commission raised the possibility of New Zealand become an Associate Member of Horizon Europe, the EU’s flagship research and innovation framework and funding platform. The EU has committed €95.5 billion (nearly NZ \$161 billion) to this seven year-long (2021-27) programme.
- 19 The then Minister of Research, Science and Innovation approved exploratory talks which ran from late 2021, concluding in May 2022 with a joint acknowledgement that there would be mutual benefit in New Zealand’s Association to Horizon Europe. In June 2022 Prime Minister Ardern and European Commission President von der Leyen jointly announced the two sides’ intent to enter formal negotiations, with a view to a swift conclusion.
- 20 In October 2022 I and my Commission counterpart made a further announcement in Strasbourg lending support to the process of New Zealand becoming an Associate Partner to Horizon Europe [DEV-22-MIN-0225].
- 21 The EU requires a treaty-level agreement for New Zealand to become an Associate Partner to Horizon Europe. This paper seeks a formal negotiation mandate, noting the benefits to New Zealand’s research community and the wider economy, society and environment, as well as outlining the costs to the Crown.

Horizon Europe

The European research system is one of the largest and most advanced in the world, with Horizon Europe constituting the world’s largest multilateral research funding platform

- 22 The European Union has one of the world’s higher per capita research and development (R&D) budgets. In 2020, EU Member States collectively spent €311 billion on R&D, or 2.35 per cent of EU wide GDP. High levels of investment have resulted in the EU accounting for 18.04 per cent of global research publications.
- 23 By comparison, New Zealand’s R&D expenditure in the same period, at NZ \$4.5 billion, was less than 0.09 per cent of the EU total, constituting 1.40 per cent of our GDP. A small country, New Zealand produces around 0.31 per cent of global research publications.

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- 24 Europe is also home to much world-leading research infrastructure, of a scale not possible in New Zealand. Flagship facilities include the European Council for Nuclear Research (CERN, the particle accelerator leading research into fundamental physics), the European Open Science Cloud and the ENVRI Community, which coordinates access to 26 European Research Infrastructures.
- 25 Horizon Europe is the European Union’s main research and innovation framework and funding platform. It is the world’s largest multilateral research programme, both in terms of the number of participants and the research funding dedicated to the programme (€95.5 billion ≈ \$NZ160 billion).

Association to Horizon Europe will facilitate New Zealand researchers’ access to one of the world’s largest and most advanced science systems

- 26 Under the terms of Association, New Zealand research organisations (including businesses conducting research) will be able to bid for and receive Horizon Europe funding on essentially the same terms as their European counterparts. They will be able to lead research programmes and retain possession of the intellectual property they bring to, and create within, their collaborative projects. Without Association (i.e., as currently) New Zealand entities can participate in other entities’ Horizon Europe projects but cannot lead projects and can only receive funding on very limited terms.
- 27 Horizon Europe’s core missions centre around tackling climate change, improving healthcare, and achieving the UN’s Sustainable Development Goals. Association will facilitate research collaboration on these topics of mutual interest to New Zealand and the European Union. Association will also deepen New Zealand’s integration into the European science system. It confers participation and influence in research agenda setting, research science for policymaking, and the shape of future research clusters and mission. It will also grant researchers early access to insights and knowledge about emerging innovations, providing New Zealand a competitive advantage, and allowing strategic investment decisions both domestically and in other countries.
- 28 The European research agenda is likely to align closely with the National Research Priorities arising from the Te Ara Paerangi – Future Pathways reforms of the New Zealand science system, with the international connections gained through participation in Horizon Europe supporting a core objective of Te Ara Paerangi.

Association will further signal New Zealand’s strategic alignment with the European Union

- 29 The Association Treaty is in two parts: an umbrella Framework that, while grounded in research and innovation, allows New Zealand to add on a wider range of EU programmes in future. The Horizon terms are dealt with in a Protocol under this Framework. Officials will negotiate the main Framework Agreement and Protocol at the same time.
- 30 Association will signal, and reinforce, the strength of the partnership between New Zealand and the EU. **Free and frank opinions**

Free and frank opinions

- 31 New Zealand is among a small first set of countries beyond Europe to be invited to Associate to Horizon Europe. We were the first to announce the move towards formal negotiations, with Canada and South Korea not far behind. **International relations**

Scope of Association and Issues for Negotiation

We are entering negotiations with goodwill on both sides

- 32 Exploratory bilateral discussions have shown the EU and New Zealand share many areas of common research focus, and a significant number of quality research relationships already exist. This latter is important as it provides a basis from which consortia can form to make credible bids into Horizon Europe.
- 33 Initial consultations with the New Zealand research community have been overwhelmingly positive, and I expect that researchers on both sides will be keen to take up the opportunities provided.

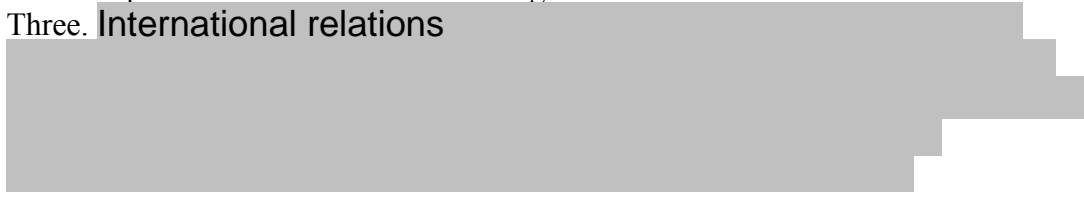
Parameters for negotiation

- 34 **Annex One** outlines high-level negotiating parameters for anticipated key areas, including an outline on a proposed New Zealand approach.
- 35 Where a more detailed mandate is required on issues outlined in **Annex One**, I recommend that the Minister of Research, Science and Innovation, the Minister of Finance, and the Minister of Foreign Affairs be delegated authority to approve provisions that do not depart significantly from these parameters. Officials will seek Cabinet approval for proposals that depart significantly from these parameters.

New Zealand is being offered access only to Pillar Two of Horizon Europe

- 36 Horizon Europe is split into three main “Pillars”:
- 36.1 Pillar One (Excellent Science) concerns maintaining and improving Europe’s science base, and focusses on basic science, fostering talent, and research infrastructure. This is roughly equivalent to New Zealand’s investigator-led research funds such as the Marsden Fund.
- 36.2 Pillar Two (Global Challenges & European Industrial Competitiveness) focusses on science that addresses global challenges, such as climate change, and boosting European industrial competitiveness in key technology areas. This is roughly equivalent to our mission-led research funds such as the Endeavour Fund and the National Science Challenges.
- 36.3 Pillar Three (Innovative Europe) focusses on the innovation ecosystem, commercialisation, and bringing science and technology to market. This is roughly equivalent to the support given through Callaghan Innovation and the R&D Tax Incentive.

37 The European Commission is not offering New Zealand Association to Pillars One or Three. **International relations**



38 **National economy**



Clusters

39 The structure of Horizon Europe’s Pillar Two includes six clusters:

- Cluster 1: Health
- Cluster 2: Culture, Creativity & Inclusive Society
- Cluster 3: Civil Security for Society
- Cluster 4: Digital, Industry & Space
- Cluster 5: Climate, Energy & Mobility
- Cluster 6: Food, Bioeconomy, Natural Resources, Agriculture & Environment

40 I am confident that these clusters provide multiple opportunities for New Zealand researchers, and align with Government priorities for economy and society.

Missions

41 Within the Clusters of Pillar Two, Horizon Europe incorporates EU Missions to increase the effectiveness of funding by pursuing clearly defined targets with a concrete impact. The aim is to achieve bold, inspirational, and measurable goals within a set timeframe.

- The Five EU Missions are:
- Adaptation to Climate Change
- Cancer
- Restore our Ocean and Waters
- Climate-Neutral and Smart Cities
- A Soil Deal for Europe

42 I am confident that these clusters give a useful focus for research funding effectiveness, and align with New Zealand current and future research priorities,

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including through the existing National Science Challenges and future priorities as set through Te Ara Paerangi.

Partnerships

- 43 Partnerships are an additional Pillar Two mechanism, allowing for collaboration between industry and researchers to tackle complex societal challenges that cut across multiple subject areas.
- 44 Fundamentally, Partnerships are about co-investment by public and private entities under a coordinated programme of research and innovation with common objectives. Whereas Horizon Europe funding is typically researcher-led (through applications for funding grants), Partnerships are more coordinated between institutions and companies.
- 45 Partnerships are funded through a variety of mechanisms, including through receiving Horizon Europe funding, and through funding provided directly by participants.
- 46 As a significant component of Horizon Europe, Partnerships may be appropriate mechanisms for New Zealand to seek to participate in on a case-by-case basis, where a particular project is identified that meets New Zealand's interests and appropriate funding is available.
- 47 I do not intend to commit any funds to Partnership initiatives as it is up to research entities to determine whether to initiate a particular project, and therefore will be required to fund such projects with their own resources.

Reciprocity

- 48 As part of negotiations, the European Commission will require that New Zealand provides reciprocal access to equivalent science funds. This is unlikely to require changes to how New Zealand allocates science funding given most funds are already available to European participants, provided they meet certain criteria such as the host organisation being based in New Zealand. That said, officials will ensure this remains the case during negotiations.

New Zealand's negotiating position would include recognition of Te Tiriti o Waitangi

- 49 In scoping discussions, the EU has indicated a willingness to include language of Te Tiriti o Waitangi, with language similar to that included in New Zealand's recent Trade Agreements, including that with the EU. This clause is of core importance for New Zealand and enables the Government to adopt domestic policies granting more favourable treatment to Māori, including in fulfilment of the Crown's obligations under Te Tiriti o Waitangi. Access to, and use of data from and about Māori will need to be carefully managed.
- 50 While Te Tiriti will feature in any eventual Association agreement, officials will negotiate the extent to which Horizon Europe decision-making processes will, or will be able to, take into account the Government's Vision Mātauranga policy. Officials will explore the European Commission considerations of equity in impact assessment, sector capability development, and the recognition of Mātauranga Māori as a legitimate worldview across all areas of research.

Ethics and standards of research excellence

- 51 The European Union advocates for high standards in the conduct of research. New Zealand has standards and practice codes generally accepted by international research partners so this should not be an obstacle to negotiations. However, I anticipate that there may be minor domestic adjustments necessary on the part of individual institutions to resolve practical differences in ethics standards and related codes of research responsibility.
- 52 Mutual adoption of certification, audit, and sound financial management provisions will require some work, including with the New Zealand Police and similar legal agencies, but should be achievable.
- 53 The European Union is a strong advocate of open science. In principle, New Zealand is also. However, we will need to ensure safeguards are in place for particularities associated with data sovereignty in the context of Te Tiriti obligations.

Costs under the Agreement

- 54 National economy [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- 56 This structure has already been agreed between the EU Member States as the basis for their own participation in the programme and therefore not open for negotiation. However, there may be scope to negotiate the size of the participation fee, the proportion of the operational contribution that is retained for administrative overheads, and possibly the automatic correction mechanism.
- 57 The substantial element is the ‘operational cost’ which is estimated in advance and as part of the negotiations. In this regard, both New Zealand and the EU have a shared interest in reaching the best estimate possible, as both sides would prefer to minimise

unexpected costs and therefore the use of the correction mechanism. MBIE and the European Commission have estimated costings based on New Zealand only Associating to Pillar Two of Horizon Europe.

58 National economy [Redacted]

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60 Over the course of the Horizon Europe programme following Association, it is expected New Zealand will be awarded 44 grants, a 20 percent success rate from an estimated 220 applications. Therefore, it is projected that New Zealand participations will more than double the 24 grants awarded in eight years of the comparable Horizon 2020 programmes, the previous iteration to Horizon Europe in which New Zealanders could participate but to a lesser extent: in effect as junior members and without access to full funding.

61 National economy [Redacted]

62 Applications to Horizon Europe are expected to be lower in the first few years as New Zealand researchers and their organisations learn about the programme and prepare bids. The European Commission also takes, on average, six months to process and assess research proposals and conclude decision-making on grants. Costs are expected

to be higher in the latter years as New Zealand researchers apply in greater numbers and have greater success.

- 63 The European Commission strongly opposes any mechanism that ‘caps’ the amount of funding New Zealand researchers could receive, as being inconsistent with European legislation. There is a risk that New Zealand researchers have a higher-than-expected application rate or success rate, which would result in a higher cost for New Zealand. Mitigation options are described in the “Financial Implications” section below.

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National economy [redacted]

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Entry into Force

Horizon Europe is a multi-year programme running 2021 to 2027

69 Horizon Europe began in 2021 and operates as a multi-year programme with research projects typically running over several years. Therefore, if New Zealand is to Associate, the earlier we do so the better. The later years of the programme are likely to operate – to some extent – in a wind-down mode with fewer opportunities to launch new and major research initiatives. Grant applications are sought twice a year: the main opportunity being January-March with a smaller round August-September.

70 The Prime Minister and the European Commission President agreed in June 2022 to conclude negotiations swiftly. Based on detailed discussions to date, my intent is to see the agreement text finalised by end 2022, to coincide with a visit to New Zealand by the Chief Negotiator from the Commission’s Research Directorate.

Confidential advice to Government

Confidential advice to Government

- [Redacted]
- [Redacted]

Financial Implications

- 73 National economy [Redacted]
- [Redacted]
- [Redacted]

Legislative Implications

- 76 There are no legislative implications directly resulting from this paper, and I do not anticipate that implementing legislation will be necessary once negotiations conclude. If implementation of legislation is required, Ministers will be updated on changes as these become apparent.

Impact Analysis

Regulatory Impact Statement

- 77 Regulatory Impact Statements are not required at this stage as no new legislation is being introduced, and no existing legislation is being changed.

Climate Implications of Policy Assessment

- 78 Association to Horizon Europe will only have an impact on decreasing greenhouse gas emissions indirectly based on what research projects secure successful bids, not directly through the policy itself. Therefore, a Climate Implications of Policy Assessment (CIPA) is not required for the current decision.

Population Implications

- 79 The 2021 RSI System Performance Report identified 33,700 active researchers and technicians in the country. This group would be the most likely to engage in research partnerships and therefore benefit from New Zealand's Association to Horizon Europe.
- 80 The Association treaty is also expected to have specific language recognising the Government's commitments to Te Tiriti o Waitangi and advancing Mātauranga Māori.
- 81 The Commission has indicated that high-quality research projects involving the Pacific region are also likely to be of interest to European partners.
- 82 Given New Zealand researchers have strong capability in climate change, environment, biomedical, aerospace, and quantum technologies, enabling further research in these areas will directly help to improve the health and wellbeing of New Zealanders, and to strengthen New Zealand's economic position.

Human Rights

- 83 There are no inconsistencies with the Human Rights Act 1993 and the New Zealand Bill of Rights Act 1990. The European Commission requires all research to be conducted in accordance with obligations under the European Convention on Human Rights, which are consistent with New Zealand's Acts.

Consultation

- 84 The following departments have been consulted in the preparation of this paper and concur with its recommendations: the Department of Prime Minister and Cabinet, the Treasury, the Ministry of Foreign Affairs and Trade, the Ministry of Education.
- 85 The following interest groups have been consulted and are supportive of Association to Horizon Europe: Science NZ (representing the Crown Research Institutes), Universities New Zealand, the Royal Society of New Zealand Te Apārangi, and the Independent Research Association of New Zealand. The Prime Minister's Chief Science Advisor, Dame Juliet Gerrard, has also strongly endorsed the prospect of Association.
- 86 Public engagement, including with Māori researchers, is planned once the negotiating mandate is approved. Further consultation with other stakeholders and government agencies will also be undertaken.

Communications

- 87 The Ministry of Business, Innovation and Employment (MBIE) will continue to engage the domestic research community on New Zealand's prospective Association to Horizon Europe. Engagement activities will include dedicated general and specific stakeholder meetings with the research community, with particular focus on Māori researchers, and with other Government agencies. MBIE will keep relevant Ministers updates as plans develop and as engagement commences.
- 88 The Prime Minister and European Commission President von der Leyen jointly announced New Zealand's intention to pursue Association to Horizon Europe in Brussel in on 30 June 2022. On 18 October 2022, I announced jointly with my European Commission counterpart, that formal negotiations would begin, with the first informal negotiating round held subsequently on 28 October 2022. I expect to make media releases announcing progress with negotiations before the end of 2022.

Proactive Release

- 89 I intend to delay proactively releasing this Cabinet paper until formal negotiations conclude with the European Commission, expected at the end of 2022, due to the details in this paper still being subject to those negotiations.

Recommendations

The Minister for Research, Science and Innovation recommends that the Committee:

Horizon Europe

- 1 **Note** that Horizon Europe is the European Union's main research and innovation framework and funding platform (worth €95.5 billion, NZ \$160 billion), and will run from 2021-2028. It is organised under three pillars: 1) Excellent Science, 2) Global Challenges and European Industrial Competitiveness, and 3) Innovative Europe.
- 2 **Note** that formal Association by New Zealand to Horizon Europe would confer eligibility onto New Zealand researchers to bid into Pillar Two of this programme and receive funding from this programme on the same terms as European researchers, and would also grant them access to world-leading research infrastructure in Europe.
- 3 **Note** that Association to Horizon Europe will contribute to strengthening New Zealand's international connections in science and innovation through high-quality collaborations with the European Union and its member states, and their international partners across both research and industry.
- 4 **Note** that formal Association is achieved through negotiating a Treaty-level commitment whose overarching text (the preamble) sets an enduring framework for a broad range of future mutually beneficial partnerships with the Union beyond research and innovation.

Negotiating Mandate

- 5 **Note** that the Prime Minister and European Commission President von der Leyen jointly announced in June 2022 their expectation to see formal negotiations or New Zealand's Association to Horizon Europe launched and concluded swiftly.
- 6 **Note** that during her visit to Europe in October 2022, the Minister for Research, Science and Innovation jointly announced with her European Commission counterpart that formal negotiations were poised to begin. [DEV-22-MIN-0225 refers].
- 7 **Agree** that officials commence formal negotiations for New Zealand's Association to Horizon Europe within the following parameters:
 - 7.1 Overall benefit to a wide range and number of New Zealand researchers, with positive impacts across the economy, environment and society.
 - 7.2 Recognition of Te Tiriti o Waitangi, including in all of the below.
 - 7.3 New Zealand researchers' full access to Pillar Two of Horizon Europe, which is the mission-based element of the research programme.
 - 7.4 Negotiators should work within the existing EU framework for setting the operational contribution and participation fees and seek the most accurate possible estimate for Pillar Two costs, noting the current cost expectations as set out in recommendation 8 below.
 - 7.5 Intellectual Property rights to be shared on an equitable basis.

7.6 Open science commitments to reflects ‘as open as possible, as closed as necessary,’ subject to securing arrangements which satisfy Māori data use and access concerns.

Costs

8 National economy

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11 National economy [redacted]

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12 **Note** that New Zealand will incur no financial obligations until the agreement is first signed by Cabinet and then ratified by Parliament, and that any set-up costs can be met from baseline.

Provisional entry into force and cost liabilities

13 **Note** that to align with European ratification processes and to secure timely access for researchers into the 2023 grant year, officials will negotiate provisional application of the Agreement, and that this provisional period is likely to run from signature in early 2023 until full ratification by both Parliaments, expected to be late 2023 or early 2024.

14 National economy [redacted]

[redacted]

[redacted]

National economy

Returning to Cabinet

- 17 **Agree** that as negotiations progress and if a more detailed mandate is required on issues outlined in recommendation 7 above, that the Minister of Research, Science and Innovation, the Minister of Finance, and the Minister of Foreign Affairs be delegated authority to approve provisions that do not depart significantly from these parameters.
- 18 **Agree** that the Minister for Research, Science and Innovation will report back to Cabinet in early 2023 with the final treaty for Association to seek approval for treaty actions (including signature, provisional application, and final entry into force), as well as approval for a National Interest Assessment and legislation, if applicable.

Authorised for lodgement

Hon Dr Ayesha Verrall

Minister for Research, Science and Innovation

Annex One: Negotiating Parameters

General

1. Note that for all other issues raised in negotiations that are not covered in this Annex, New Zealand will seek an approach consistent with our existing policy settings and will consult with relevant agencies as appropriate.

Access to Horizon Europe schemes

2. Seek full access for New Zealand research organisations to funding from, and participation in all Pillar Two activities provided through the European Union's Horizon Europe Research and Innovation programme.

Cost model

3. Seek a fair, transparent and consistent costing model for New Zealand's Associate Membership of the European Union's Horizon Europe Research and Innovation programme.

Intellectual property

4. Seek an outcome on intellectual property that sits within current domestic policies and legislative settings, considering the need to:
 - 4.1. support transparency and due process in the protection and enforcement of intellectual property so as to minimise compliance costs for the research community; and
 - 4.1. ensure policies and settings are appropriately calibrated for a small net importer of intellectual property seeking to incentivise innovation and creativity; and
 - 4.2. retain appropriate flexibility to ensure intellectual property settings remain optimum for domestic purposes over time.
5. Seek an outcome with open science commitments that reflect 'as open as possible, as closed as necessary, with a particular consideration for Māori data sovereignty.

Treaty of Waitangi

6. Secure a provision enabling the New Zealand government to adopt domestic policies according to more favourable treatment to Māori, including in fulfilment of obligations under the Treaty of Waitangi, consistent with what has been included in New Zealand's recent Trade Agreements.