CBE JU Workshop on Synergies with National and regional funding instruments

10 October 2025 | 09:00 – 14:30 CET time

Le Louise Hotel Brussels, Avenue de la Toison d'Or 40, B-1050 Brussels, Belgium

Introduction

As explained in the new Circular Biobased Europe Joint Undertaking (CBE JU) Synergy Strategy[1], the CBE JU aims to foster synergies with Horizon Europe and other EU funding instruments but also to explore synergies with national and regional programmes. This includes addressing structural barriers, such as mismatched funding rules, and enhancing dialogue with national and regional authorities.

In addition, strengthening upstream synergies, such as capacity building and proposal development support, is essential for increasing participation from underrepresented regions. Finally, the CBE JU would like to leverage mechanisms like the Seal of Excellence to channel high-quality projects into alternative funding streams, thereby maximising the impact of EU investments.

For stakeholders at the national and regional levels, the goal should be to align their strategies with EU objectives while addressing local needs. This involves integrating Smart Specialisation Strategies with Horizon Europe priorities and fostering collaborations that enhance regional innovation capabilities. Stakeholders must also address administrative and legal barriers to ensure the seamless implementation of synergies. Achieving these objectives would contribute to a more balanced and competitive European research and innovation landscape, while also supporting the broader goals of the European Green Deal.

Objectives

The workshop's primary focus was to identify barriers to effective synergies among funding sources at national and regional levels and to explore best practices for leveraging these funds in the bio-based sector.

This workshop is part of the CBE JU Synergy Strategy actions identified for 2025–2027 and aims to align complementary funding mechanisms with the organisation's objectives.

Outcomes

A. Main barriers identified in the workshop

The first breakout session of the workshop aimed at identifying barriers and hurdles towards an effective use of synergies among funding in the biobased sector. Below are reported the main barriers presented during the debriefing session by the rapporteurs of each discussion group and their impacts are highlighted in the boxes.

[1] https://www.cbe.europa.eu/system/files/2025-07/CBE-JU-Synergies-Strategy.pdf

1. Bioeconomy visibility and strategic priority

Bioeconomy frequently lacks clear visibility in regional and national strategic documents. It is often treated as a cross-cutting theme among different offices/ ministries/funding bodies rather than an explicit policy priority. As a consequence, it is not included as a main entry point for investment, planning or public procurements.

- **Funding allocation is constrained** because budgetary planners do not ringfence or prioritise bioeconomy lines, resulting in limited dedicated support.
- **Fragmented policy frameworks** cause public and private actors to struggle to interpret how bioeconomy initiatives fit with broader priorities such as industrial deployment, rural development or circularity.
- **Low investor confidence** emerges because long-term commitment is unclear, discouraging private capital and large infrastructure projects.

2. Seal of Excellence clarity and oversubscription

The Seal of Excellence (SoE) mechanism produces a large number of high quality proposals that are not automatically absorbed by national or regional funders. There is persistent uncertainty among applicants and funders about what the SoE practically offers and how it should be used by follow on funding bodies. The administrative and procedural gap between awarding the Seal and making it operational means many SoE projects remain unfunded despite having passed competitive EU selection processes.

- **Pipeline bottlenecks** form as promising projects accumulate an externally validated label without real financing, making the instrument ineffective and jeopardising the possibility of synergies among locally disbursed funding and European priorities.
- **Inefficient use of resources** results when national and regional bodies re-evaluate proposals that have already undergone rigorous peer review at European level.

3. Non coherence across funding levels and programme silos

Funding instruments at EU, national and regional levels frequently operate to different aims, timescales and administrative logics. This creates siloed funding mechanisms that are difficult to combine into coherent project trajectories. The differences in scale and ambition between programmes mean that projects suited to one level often do not align with eligibility, timing or expected outcomes at another level.

- **Fragmentation of project portfolios** where complementary actions across research, demonstration, scale up and deployment are disconnected and fail to aggregate into a systemic approach.
- **Duplication and overlap** across programmes as multiple funders support similar activities independently rather than sequencing or complementing investments.
- **Barrier to scaling** for initiatives that require staged financing from local pilot to national roll-out to EU deployment.
- **Administrative burden and complexity** grow for applicants forced to navigate divergent reporting, eligibility and audit requirements for each silo.

4. Unclarity on combining different funding sources

There is significant uncertainty about legal and procedural rules for the combination of grants, loans, private co-investment and different public programmes. Administrators and applicants often lack practical, concrete examples showing when combinations are permitted or how to avoid double-funding and state aid conflicts. This legal and technical ambiguity discourages creative blended finance arrangements.

- **Conservative funding decisions** by public authorities that avoid co-funding arrangements to minimise risk and audit exposure.
- **Delayed project starts or rejections** when proposed finance mixes cannot be validated in time or are deemed ineligible.
- **Lost leverage of private capital** because funders refrain from taking the first risk without clarity on complementarity.

5. Access to correct information and single contact points

Information on funding opportunities and the roles of different actors is scattered across agencies, programmes and cluster networks. Potential applicants frequently do not know where to go first, which entities provide what type of support, or who can advise on fit with national or regional priorities. National Contact Points (NCPs) and clusters could have a stronger visibility in their roles as gateways. Also, skills gaps have been acknowledged and include proposal writing for competitive calls, financial structuring for blended finance, and technical know-how to design demonstrators at pilot or pre-commercial scale. Capacity shortfalls exist both within public authorities and private actors.

- **More effort is needed** for proposals development as applicants collect fragmented guidance from multiple sources.
- **Unequal access across regions and actors** where well-networked organisations navigate the system successfully while smaller actors and peripheral regions remain unaware of opportunities.
- **Mismatches between project ideas and funding instruments** that lower success rates and waste applicant effort.
- **Overreliance on a small number of intermediaries** that concentrate expertise and create bottlenecks for demand.
- **Weak project implementation and reporting** that can endanger compliance with funder requirements and future eligibility.
- **Slow technology transfer and commercialisation** as operational and managerial gaps prevent pilots from reaching market readiness.

B. Best practices and opportunities identified in the workshop

The second breakout session of the workshop focused on identifying best practices and opportunities. Below the main outcomes presented in the debriefing session by the rapporteurs of each discussion group are reported, and their impacts are highlighted in the boxes.

1. Splitting and tailoring the different funding mechanisms

Splitting operating expenditures and capital expenditures between different programmes — for example OPEX supported by CBE JU and CAPEX covered by national/regional programmes — creates a financing architecture that matches cost types to the most appropriate funding instruments. This approach lets innovation and demonstration activities be funded by competitive EU grants while larger, one-off infrastructure investments draw on national balance sheets or cohesion/capital funds.

- **Improved feasibility of projects** because capital-intensive investments are financed separately from operational demonstration costs.
- **Higher project bankability** as predictable CAPEX coverage reduces upfront financing gaps. This will result in improved scaling pathways from pilot to deployment thanks to matched financing for each phase.
- **Clearer budget responsibility** for funders, with fewer disputes about which instrument should cover what.
- **Greater use of EIB advisory services** to help projects become bankable by improving financial structuring, risk assessment and blended finance design.

2. Capacity building for NCPs and Operational Groups

Specialised capacity building for NCPs and EIP/EAFRD Operational Groups focuses advisory competence on complementary funding streams and practical implementation challenges. This will result into raining that deepens NCPs knowledge of blended finance, national/regional programme rules and operational group mechanics strengthens the front line that applicants consult.

- **Building a shared knowledge base** across NCPs and operational groups about blended finance, eligibility rules and sequencing. This will turn into **higher quality advisory support** at the first point of contact, improving fit between project ideas and funding instruments.
- **Faster identification of suitable funding mixes** because advisors can guide applicants more effectively.
- **Greater systemic efficiency** as well-informed intermediaries channel suitable projects to correct instruments.
- **Higher success rates** for applications due to improved proposal fit and fewer procedural errors.
- **Wider geographic reach** of programme benefits if training is disseminated broadly.

3. Hubs and clusters as intermediaries

Positioning hubs or clusters as principal intermediaries between the CBE JU and national/regional funding agencies formalises a coordination layer that can translate EU calls into regional contexts, aggregate small actors, and shepherd projects through multi-level funding landscapes. Clusters act as convenors, knowledge brokers and administrative anchors for consortia.

- **Improved clustering and representation** of SMEs, research centres and local authorities into actors into competitive consortia, improving access to larger calls. This will facilitate knowledge transfer and partnership building competences that small actors often lack.
- **Smoother translation of EU priorities into local value chains** through cluster-led adaptation and mobilisation.
- Creates a **robust institutional ramification** that is able to navigate the different national/regional specificities and at the same time is strictly connected with the CBE JU strategic vision.

4. Foster strategic alignment among different levels of funding and revising the Smart Specialisation Strategies to better align with EU strategies

Currently, policy coherence across different funding levels (EU, national and regional) is rather fragmented. Enhancing policy coherence would result in clear and complementary roles for different funding levels so programmes sequence from research to deployment. Likewise, it would reduce contradictory incentives and simplify decision-making for applicants. Furthermore, the revision of the current setting of the Smart Specialisation Strategy (S3) implementation in Europe is critical to better align with EU-level objectives makes bioeconomy priorities explicit within regional industrial policy. Updating S3 processes to incorporate circular bioeconomy value chains, cross-regional cooperation and EU mission objectives increases strategic coherence.

- **Reduced policy fragmentation** and more predictable pathways from research to deployment.
- **Easier identification of complementary funding opportunities** for applicants working across scales.
- **Stronger alignment between regional strengths and EU priorities**, enabling focused investment in competitive niches. This will also allow to strengthen cross-regional cooperation and reduces policy fragmentation around shared bioeconomy objectives.
- **Clearer signalling to investors and project developers** about regional specialisations and funding priorities.
- **Increased attraction of EU and national funds** due to clearer alignment with higher-level strategies.

5. More structured dialogues with managing authorities

Structured, regular dialogues with managing authorities institutionalise knowledge exchange, surface implementation bottlenecks early and align call timing with regional capacities. These dialogues would foster mutual understanding that leads to more pragmatic, implementable programme design and its improved uptake. Continuous engagement of managing authorities in the CBE JU Synergy Strategy would result in clearer mutual expectations and improved operational coordination, thus strengthening trust, increasing the ability of problem resolution and providing more effective responses to sectorial needs.

- **Better synchronisation of call calendars and eligibility rules** with regional implementation realities.
- **Improved trust and pragmatic problem solving** between funders and implementers.
- **Stronger institutional relationships** that support sustained cooperation and create a **two-way channel for regions** to influence programme design and for authorities to explain priorities.

6. Regional representation in governing structures

Including regional representation in governing structures such as the CBE JU embeds territorial perspectives into strategic decision-making and governance. Beside the national ones, regional voices bring practical implementation experience, local pipeline visibility and territorial development priorities into funding governance.

- **Enhanced legitimacy and relevance** of governance decisions for local stakeholders.
- **Greater alignment between governance choices and regional capacities and priorities**.
- **Opportunities for improved targeting** of calls and for recognising territorial diversity in programme design.

SUMMARY OF THE PROPOSED ACTIONS

1. CREATION OF A REGIONAL PLATFORM – CBE JU REGIONAL DEPLOYMENT GROUP

The platform would foster synergies between CBE JU and the regional (and/or national) funding authorities interested in fostering bioeconomy solutions in their regions. The platform would acts as a single, organised group that connects the CBE JU with committed regional and national funding authorities to translate EU bioeconomy priorities into tangible territorial actions. The platform would only focus on funding synergies and will not address European or national/regional policies other than those associated with the funding of projects. For example, it could coordinates funding pipelines and calendars to align CBE JU calls with regional and national programmes, aggregates and showcases vetted project concepts, provide specific guidance to managing authorities on how to implement mechanisms like the Seal of Excellence and co-develop guidance on the administrative and practical aspects of pooling/complementing funding from different funding sources.

2. GUIDANCE FOR APPLICANTS ON REPLICABILITY AND/OR SCALE UP FUNDING

The guidance would aim at supporting successful Demo and Flagship projects on how to blend funding and navigate across the synergies landscape with interested regions/countries. It could include supporting targeted advisory services (in a mechanism that could be mediated by Clusters or NCP, for example) helping consortia navigate the synergies landscape to secure follow-on investment from interested regions and countries by facilitating introductions to regional managing authorities, demonstrating fit with local strategies, and co-designing blended financing arrangements. This hands-on support would accelerates replication across territories, increase the pool of scalable follow-on opportunities, and improve the chances that successful pilots evolve into widely deployed solutions through aligned funding packages and locally tailored implementation pathways.

3. A PILOT ON EXCELLENCE/SOVEREIGNTY SEAL IN THE LAST CBE JU CALLS

Operationalising the seal of excellence/sovereignty seal for excellent industrial scale not funded IA-Flagships proposals through agreements with interested regions and countries increases the likelihood that proven concepts become territorially embedded flagships, amplifying replication and systemic impact. Regions will benefit from a vetted pipeline of high-quality proposals that align with local priorities, accelerating strategic investment decisions and improving absorption rates of regional funds. For project teams, the seal enhances credibility, improves negotiating power with funders (especially private ones), and raises the chance of blended funding packages that combine national infrastructure support with EU-funded operational activities, leading to faster demonstration-to-deployment transitions and stronger territorial roll-out.

Annex I – Background elements

Synergies between Horizon Europe and Cohesion Policy Programmes: The concept of shared management is central to EU budget expenditure, with Member States managing a significant portion of funds. This approach enables tailored regional strategies that align with broader European objectives, ensuring investments are responsive to local needs while contributing to overarching goals. Synergies between Horizon Europe and cohesion policy programmes are particularly critical for addressing the innovation divide across Europe. For example, Smart Specialisation Strategies provide a framework for regions to identify and build on their unique strengths, facilitating targeted investments and collaborations that enhance innovation capabilities. However, challenges persist, such as mismatches in thematic priorities and funding mechanisms, which hinder effective collaboration. These issues are particularly pronounced in mechanisms like the Seal of Excellence, where consortium-based funding under Horizon Europe conflicts with single-beneficiary funding criteria at the national and regional levels.

Seal of Excellence: is a quality label introduced during Horizon 2020, awarded to project proposals submitted under Horizon Europe calls that meet high-quality thresholds but cannot be funded due to budget limitations. It has been implemented in several calls, including the European Innovation Council Accelerator and Marie Skłodowska-Curie Actions. However, attempts to expand its application to collaborative projects, such as those under the Mission on Adaptation to Climate Change, have faced challenges. Seal of Excellence projects bypass the regular European Regional Development Fund project selection process but must still meet simplified assessment criteria under Article 73(2) and Article 73(4) of the Common Provision Regulation. The States Representatives Group plays a critical role in supporting the implementation of the Seal of Excellence by identifying synergies with national and regional financing instruments.

Recovery and Resilience Facility (RRF): is a temporary instrument under NextGenerationEU, designed to help Member States recover from crises and transition towards green and digital economies. The European Commission raises funds by issuing bonds on behalf of the EU, which are then allocated to Member States for reforms and investments aligned with EU priorities. The Circular Bio-Based Europe Joint Undertaking is exploring upstream synergies with national Managing Authorities of the RRF to foster the territorial deployment of biorefineries funded or presented to the Joint Undertaking. This aligns with the broader goal of supporting sustainable economic transformation and reducing regional disparities.

Just Transition Fund: is the first pillar of the Just Transition Mechanism, aimed at supporting territories most affected by the transition towards climate neutrality. It operates under shared management within the framework of cohesion policy, which seeks to address structural changes and reduce regional disparities. The Circular Bio-Based Europe Joint Undertaking is engaging with national Managing Authorities of the Just Transition Fund to explore its potential for fostering the deployment of biorefineries. This initiative is significant for ensuring that regions undergoing economic transitions can benefit from innovative bio-based solutions, contributing to both local development and EU climate goals.

Research and Innovation and Cohesion Managing Authorities Network: In June 2023, the European Commission launched the Research and Innovation and Cohesion Managing Authorities Network. This initiative aims to enhance dialogue and share best practices between Member States and EU authorities in relation to research funding and cohesion policy. The network is co-chaired by the Directorate-General for Research and Innovation, the Directorate-General for Regional and Urban Policy, and a Member State (Czech Republic). Seven Member States, including Croatia, Czechia, Estonia, Greece, Latvia, Lithuania, and Slovenia, are actively working on enhanced synergies, with Spain also engaging in ongoing efforts. This network is pivotal for aligning regional and national strategies with EU objectives and addressing administrative complexities in implementing synergies.

Smart Specialisation Strategies: are critical for bridging Horizon Europe and cohesion policy programmes. These strategies enable regions to identify their unique strengths and focus investments on areas with the highest potential for innovation and economic growth. They are particularly relevant for less-developed and transition regions, where capacity building and targeted support can enhance participation in EU Framework Programmes. However, engaging with multiple funding authorities responsible for these strategies requires sustained effort and coordination, highlighting the need for streamlined processes and proactive dialogue.

European Structural and Investment Funds: Research and innovation are major priorities under the European Structural and Investment Funds, which include the European Regional Development Fund, European Social Fund Plus, Cohesion Fund, Common Agricultural Policy, and European Maritime and Fisheries Fund. These funds are instrumental in supporting the bioeconomy, a key area for Smart Specialisation Strategies across European regions. The new rules under Horizon Europe facilitate pooling of these funds with Horizon Europe resources in co-funded actions, creating opportunities for transnational collaboration and increasing participation from less-developed regions. The European Court of Auditors is also involved in designing actions to create downstream synergies, such as deploying innovation results from Horizon Europe-funded projects.