

Union of Industrial and Employers' Confederations of Europe Union des Confédérations de l'Industrie et des Employeurs d'Europe

26 October 1999

MEMORANDUM TO THE COMMISSIONER FOR RESEARCH

KEY POINTS FOR EFFICIENT IMPLEMENTATION OF THE 5th RTD FRAMEWORK PROGRAMME AND PREPARATION OF ITS FOLLOW-UP

Considering the paramount importance of R&D in the innovation process, which is vital for the competitiveness and thus the survival of enterprises, UNICE has often called for and offered its support for a dynamic and efficient research policy in the European Union and its Member States.

Its recommendations that public policies focus on five priorities have been submitted in the appended document in preparation of the colloquium organised on 20 May 1999 by the Council of European Research Ministers.

UNICE is deeply convinced that such a policy can only reach its goals if executed at all levels with the close collaboration of all actors, especially those from industrial and academic circles. While some of the expressed priorities are clearly under the responsibility of the Member States, the European Commission has an essential role to play with a view to supporting and executing this policy at European level.

The Framework Programmes are essential instruments in European RTD policy and have successfully achieved different goals such as the initiation of European research networks bringing together partners from industry, universities and research centres of all Member States.

However, early indications from applicants and potential applicants to the first calls for proposals under the 5^{th} Framework Programme tend to show that there is still room for improvements that should be considered in preparation of the 6^{th} Framework Programme.

Such needs for improvement, that have already been mentioned previously by representative organisations such as UNICE and IRDAC, include the simplification of programme structure and management, real concentration on a limited number of priorities, clarification of the content and of the procedures, reduction of the administrative burden for applicants and facilitation of access. These points will be real challenges in the context of full participation in the δ^h Framework Programme of the new entrants from Central and Eastern Europe.

UNICE has repeatedly shown its willingness to collaborate with the Commission by supplying information and identifying the most efficient ways to make European R&D policy successful; it is, however, deeply concerned by a recent interruption of consultation as testified by the dismantling of IRDAC and unilateral decisions on the composition of the External Advisory Groups (EAGs) which were actually initiated following a suggestion by UNICE. More open information on the working procedures, effectiveness and efficiency of the different EAGs would certainly be welcome.

UNICE is clearly willing to work with the new Commission; R&D is a field where its bottom-up input would be valuable and UNICE is ready to meet the Commissioner at any time when he wishes such a direct contact.

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Further, UNICE strongly suggests that the Commissioner in charge of R&D improves coordination with all Directorates-General that are stakeholders in European research policy and especially the Directorate-General on Innovation.

<u>ANNEX</u>

DISCUSSION ORGANISED BY THE RESEARCH COUNCIL (20/5/1999) WITH REPRESENTATIVES FROM THE WORLD OF INDUSTRIAL, PUBLIC AND ACADEMIC RESEARCH

UNICE'S FUNDAMENTAL VIEWPOINT ON THE PRIORITIES TO BE PURSUED BY PUBLIC POLICIES

In a highly competitive world economy, where other regions presently have various advantages on production costs, European industry must strive to maintain its competitiveness. While cost reductions are part of the solution, especially on a short-term horizon, Europe needs to build further on its **creativity** and **innovative power** in order to guarantee the long-term competitiveness and thus the survival of its enterprises by bringing new, improved, cheaper products and services to the world market.

The public authorities of the European Union and of its Member States have a major role to play in **'making the legal framework more favourable to innovation**", and this applies to the legal, social, fiscal, environmental and intellectual property rights aspects, in order to bring European industry into fair competitive conditions as compared with competitors in the USA, Japan and emerging economies.

UNICE strongly recommends that public policies focus on five essential priority routes :

- help to improve the financing of innovation, be it private or public;
- direct research efforts more effectively towards innovation by encouraging relevant university-industry co-operation;
- develop initial and further training in order to keep and improve the high level of education required for future innovation;
- improve and promote intellectual property protection at European level by making access to it easier and cheaper;
- encourage innovation in enterprises e.g. by encouraging cooperation and technology transfer between SMEs, larger concerns and other technology suppliers.

European industry is ready to assist the authorities in identifying and defining (changing) priorities, opportunities and challenges, and suggests that ad-hoc efficient consultation procedure and structures are created. This would allow the authorities' strategy in the field of R&D and innovation to be substantiated by bottom-up information from actual stakeholders on their actual needs.

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