

**UNICE comments on the communication from the Commission (COM (2004) 353) 'Science and technology, the key to Europe's future – Guidelines for future European Union policy to support research'.**

UNICE welcomes this Commission communication and agrees with the importance of an EU policy to support research and innovation. The European Innovation Scoreboard 2003 confirms that Europe continues to lag far behind the US in the field of R&D and innovation. Serious effort needs to be made to remedy this situation and this communication on the future European Union policy to support research is a step forward.

It is of the utmost importance in this respect that research and innovation should stimulate and contribute to the growth of the European economy and to the competitiveness of European industry. Industry (both large companies and SME's) are catalysts for innovation and as such should be a primary focus of European RTD policy.

This Commission communication, however, concentrates for the most part only on stimulating basic research. It is the view of UNICE that much more emphasis should be placed on:

- addressing the 'European paradox', whereby the quality and quantity of European public research is by and large excellent, however the results of this research are not making the transition from research to commercially viable product and services, and;
- upon stimulating research and innovation within industry itself.

In this context it is also clear that more needs to be done to increase industry participation in the various EU RTD programmes that exist (particularly with a view to the seventh Framework Programme). Oversubscription and bureaucratic administration in the sixth Framework Programme have actually resulted in a decline in industry participation.

UNICE therefore welcomes the initiative to create Technology Platforms and Public-Private Partnerships promoting innovation in specific sectors or clusters. Given that industry is the primary source of innovation it is reasonable to expect that industry should have a leading role in determining when and what kind of technology platforms should be created and should also take the lead role in their operation. Sufficient funds for these platforms need to be made available and the bureaucratic burden for the participants need to be kept at a minimum.

In principle, a partial shift of strategic financing of fundamental research from the national to the European level could improve the efficiency, effectiveness and quality of research, through competition at international level. This in turn could stimulate more rewarding partnerships with industry. Therefore UNICE is of the opinion that a significant part of the basic research funded by the proposed new European Research Council (ERC) should be mission-oriented in nature, i.e. should finance research in broad areas where Europe faces common challenges. The majority of these areas should be related to industrial competitiveness and helping Europe to attain its own self appointed Lisbon goals. To this end the ERC should have a strong advisory board, consisting of industry representatives and new sources of funding must be found for the ERC, as it should not be financed at the expense of current research programmes.