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EUROPEAN RESEARCH AREA (ERA) INSTRUMENTS

WORKSHOP ORGANISED BY THE PERMANENT REPRESENTATION OF SWEDEN TO THE EUROPEAN UNION

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BUSINESSEUROPE embraces the initiatives¹ recently adopted aimed at transforming the European Research Area (ERA) into an effective market for Research and Development and an attractive hub for research on the global stage.

Most of them have tried to devise more efficient instruments to facilitate the free movement of researchers (for example tools to ensure portability of financing, employment and working conditions) or to promote common rules dealing with intellectual property in the case of knowledge transfer activities.

Yet, we believe that in some cases the European Research Area has not been implemented through the most efficient instruments. This is the case regarding two main objectives of the European Research Area: achieving effective exchange of knowledge on the one hand, and achieving optimisation of European, national and regional research programmes, on the other hand.

Furthermore, with time, instruments created with a view to supporting the European Research Area have become more numerous. Instead of achieving simplification and greater coherence, the ERA has become a complex structure with gaps and overlaps leading to a loss of efficiency. Many companies are particularly worried about the development of Joint Technology Initiatives, a tool which has a big potential but is under-exploited because of many major problems which have emerged largely due to heavy bureaucracy.

We believe that improving the existing instruments should be given a high priority and is intrinsically linked to achieving a better governance of the European Research Area.

In that context, we submit the following key recommendations:

1. Encourage competition

We are convinced that the European Research Area should be organised as an internal market for research, in order to encourage excellence in competition.

Setting the market conditions and regulations to sustain a healthy mix of new, growing and large companies, generating wealth in and for Europe across all important sectors, is a pre-condition for making the European Research Area a visible success and achieving the sustained funding that research needs.



In view of this, the European Commission and Member States must do everything to leave research institutions their autonomy. This presupposes competitive financing, also where public resources are involved. If financing is organised in competition, institutions can also be given complete staffing and pay autonomy.

2. Foster effective public-private cooperation and partnerships

- a) Simplify significantly the rules for participation in the European Framework Programme

The European Framework Programme should be seen as a tool for fruitful cooperation and competitiveness, not solely a source of finance. Industry participation in Framework Programmes has steadily declined, among other things due to bureaucracy, long procedures and complicated project management rules. This trend should be halted and reversed.

- b) Develop a trust-based approach and risk-tolerant rules on research funding

BUSINESSEUROPE fully supports European Research Advisory Board's plea for a more trust-based and risk-tolerant approach in European research funding, as the only way to drastically cut red tape in European research programmes. This would require a revision of the EU Financial Regulation. Furthermore, to foster trust between R&D actors, the Responsible Partnering Initiativeⁱⁱ should be promoted as a basis for sustainable cooperation between companies, universities and research institutes.

- c) Develop more effective knowledge transfer mechanisms in the ERA for ensuring that knowledge and results generated in EU projects is put to good use

Effective knowledge transfer should be a top priority for the European Research Area. In this respect, the Commission's Intellectual property code of practice was an important step forward. It is now time that the restrictions on collaborations between companies and publicly funded research organisations in the EU rules on state aid for R&D and innovation are supplemented with clear operational guidelines.

3. Develop adequate tools for efficient collaborative research and innovation

- a) Recommendations on European Technology Platforms (ETPs)

European Technology Platforms have been successful in stimulating more industrial leadership. This concept provides a good industry-led bottom-up process where industry together with universities, institutes and other stakeholders define areas that are important to European competitiveness. The European Technology Platforms process should therefore continue.



In view of this, it would be wise to focus on areas where Europe has a real need and stands a real chance of becoming world-class. This would imply that the current number of Platforms (36) should not increase too much.

b) Recommendations on Joint Technology Initiatives (JTIs)

The process of establishing the JTIs within the institutional constraints and legal complexity of the European Union was very difficult for companies. We believe that the effectiveness of Joint Technology Initiatives can be improved by reforming the system of management (eliminate red tape, increase responsibility of industry) in order to make it more workable.

Furthermore, we recommend turning the Joint Technology Initiatives into genuine public-private partnerships with properly balanced responsibilities, rather than a unilaterally imposed regulatory straightjacket.

c) Recommendations on next public-private research partnerships

With a view to creating efficient tools, it is crucial that future public-private research partnerships are designed through lean instruments, without recourse to any “Community body” statute.

4. Ensure better protection of Intellectual Property Rights (IPR)

a) Adopt a Community patent

Any new European patent system must deliver the highest quality, cost-effectiveness, efficiency, legal certainty and reliability.

b) Set up an EU patent litigation system

The patent litigation system should not create unreasonable delays that would further deter small and medium enterprises from using it.

5. Improve co-ordination at policy level

a) Improve horizontal co-ordination at EU level

1. For each major topic (e.g. a grand challenge), a process should be defined (at Commission or Directorates-General level) to make optimal use of key relevant EU instruments.

Furthermore, “horizontal co-ordination” between DGs, on the one hand, and between Member States, on the other hand, should be strengthened to ensure more consistency between various policy and legislative approaches affecting innovation.



b) Improve variable geometry schemes for Joint Programming

The Communication on Joint Programming, where several Member States define pan-European research agendas in response to common societal challenges, shows the way forward. However, in the current variable geometry tools (ERA-NETplus, Articles 169 and 171 of the Treaty on European Union providing a legal basis for, respectively, the European Community to support the integration of national research programmes and to set up joint undertakingsⁱⁱⁱ), there is no solution yet for handling the problem of uneven subscription by participating Member States.

The formation of some transnational consortia has been hampered because of uneven participation of Member States, as the experience of ARTEMIS and ENIAC Joint Technology Initiatives has proved. Solving the problem in case of uneven subscription between participating Member States is a priority to improve schemes for Joint Programming.

c) Increase the role of the European Research Advisory Board (ERAB)

In addition to creating a longer-term vision for the European Research Area, the European Research Advisory Board should have a stronger advisory role for shorter-term implementation.

6. Strengthen interaction between EU initiatives (Knowledge and Innovation Communities, Lead Markets, Joint Technology Initiatives, clusters, etc.)

a) Make more systematic use of coordination for establishing Strategic Research Agendas (SRAs)

Strategic Research Agendas generated by European Technology Platforms so far have proved to be useful and relevant tools for cooperation between initiatives, on the one hand, and stakeholders (public-private), on the other hand. We therefore believe that broader use of the European Technology Platforms methodology should be made to improve both efficiency of ERA instruments and coherence of the whole system.

For example, it would be worthwhile to explore to what extent the European Technology Platforms and Strategic Research Agendas methodology could be used for defining the strategic innovation agendas for the Knowledge and Innovation Communities being set up by the European Institute of Innovation and Technology (EIT).

The success of the European Institute of Innovation and Technology also needs a clear linkage between its strategic objectives / thematic priorities and the European Strategic Research Agendas which have been developed from initiatives in the European Research Area, such as the European Technology Platforms and the Joint Technology Initiatives.



Furthermore, the European Technology Platforms' process of involving stakeholders to jointly develop a long-term vision and hence derive a strategic research agenda could also offer an interesting potential for designing Joint Programming actions.

- b) Improve the interface between education, research and innovation with a view to ensuring a sufficient supply of an adequately skilled workforce

In 2002, European institutions were warning about the upcoming skills crunch. In Germany, the Czech Republic and France, it has become increasingly difficult to recruit enough engineers, especially in sectors like ICT, energy and manufacturing.

European research, education and innovation policies are still too fragmented and challenged by the wide differences in approaches that exist at the different levels. Efforts must be enhanced to develop innovation, entrepreneurial and research-friendly education systems with a view to ensuring a sufficient supply of an adequately skilled workforce.

The European Institute of Innovation and Technology should create a favourable framework for promoting a fresh entrepreneurial culture in Europe. It needs, nevertheless, a more significant budget and more clarity on the nature and use of resources. Public funding should be in addition to existing funds and must not be diverted from existing national and European budgets allocated to research programmes.

ⁱ We are referring here to the five horizontal initiatives aiming to establish European frameworks to enhance career prospects and mobility of researchers, organise joint programming focusing on key societal challenges, coordinate international cooperation in science and technology, enhance knowledge transfer between public research organisations and industry, facilitate the creation and operation of European infrastructures.

ⁱⁱ The "Responsible Partnering Initiative" published a "Guide to better practices for collaborative research and knowledge transfer between science and industry" which contains practical guidance which can help managers in the public and private sectors to deal with collaboration and make it more profitable to all parties.

The "Responsible Partnering Initiative" has been endorsed by 5 organisations: EIRMA, ProTon Europe, European University Association, EARTO and BUSINESSEUROPE.

ⁱⁱⁱ Article 169 states that "In implementing the multiannual framework programme, the Community may make provision, in agreement with the Member States concerned, for participation in research and development programmes undertaken by several Member States, including participation in the structures created for the execution of those programmes".

Article 171 states that "The Community may set up joint undertakings or any other structure necessary for the efficient execution of Community research, technological development and demonstration programmes".