

BUSINESSEUROPE



AeroSpace and Defence Industries Association

Montreux Convention, 7 October 2010

**Workshop 1 : Aerospace in the 8th EU RD
Framework Programme**

**D.Cloquet, Director Entrepreneurship & SMEs,
BUSINESSEUROPE**

BUSINESSEUROPE: 40 members in 34 countries

							
Austria	Belgium	Bulgaria	Croatia	Cyprus	Czech Republic	Denmark	Denmark
							
Estonia	Finland	France	Germany	Germany	Greece	Hungary	Iceland
							
Iceland	Ireland	Italy	Latvia	Lithuania	Luxembourg	Malta	Montenegro
							
Norway	Poland	Portugal	Portugal	Rep. San Marino	Romania	Slovakia	Slovenia
							
Spain	Sweden	Switzerland	Switzerland	The Netherlands	Turkey	Turkey	United Kingdom



What is BUSINESSEUROPE?

- The Confederation of European business, representative of more than 20 million small, medium and large companies
- Mission : “Advocate a favourable and competitive business environment to foster sustainable economic growth”



Main points of presentation

- Summarise recent BUSINESSEUROPE views on redesign of overall EU Research / Innovation (R/I) Strategy
- Address workshop key topic : what room for sectoral research / innovation programmes in FP8?
- Bottlenecks in implementation of FP's



BUSINESSEUROPE overall strategic vision (1)

- Need for a truly broad-based and integrated EU research/innovation strategy:
 - Increase public and private investments, enhance public support policies
 - Nurture future talent
 - Stimulate demand and markets for innovation
 - Implement integrated policy approaches, generating an innovation-friendly regulatory framework



BUSINESSEUROPE overall strategic vision (2)

- Stronger orientation needed towards addressing societal challenges
- Challenges to be selected through broad debate/consultation
- Focus to be placed on economic challenges
- “Staying competitive” is a societal challenge



BUSINESSEUROPE : key societal challenges

- Competitive and sustainable manufacturing
- High-quality affordable healthcare (ageing,...)
- Supply of resources (including energy)
- Mobility
 - New vehicle concepts and technologies
 - Upgrading of transport systems
- Knowledge society
- Convergence of technologies
- Security
- Urbanisation



Societal challenges in Commission strategy

- Climate change, energy/resource efficiency, raw materials, health, demographic change, etc.
- Launch of Innovation Partnerships:
 - Framework for pooling resources
 - Concept: major role for governments because the market alone is unlikely to succeed (e.g. role as providers of funding, regulators, standard-setters, procurers or market participants)



Sectoral R/I programmes: summary remarks

- No recent discussion in BUSINESSEUROPE on aerospace RD as such...
- ...but a number of aerospace RD topics seem likely to fit in with BUSINESSEUROPE thoughts for FP 8 regarding:
 - Competitiveness objectives
 - Societal objectives
- ASD workshop can feed into our policy debate on Innovation Union Flagship Initiative and FP8

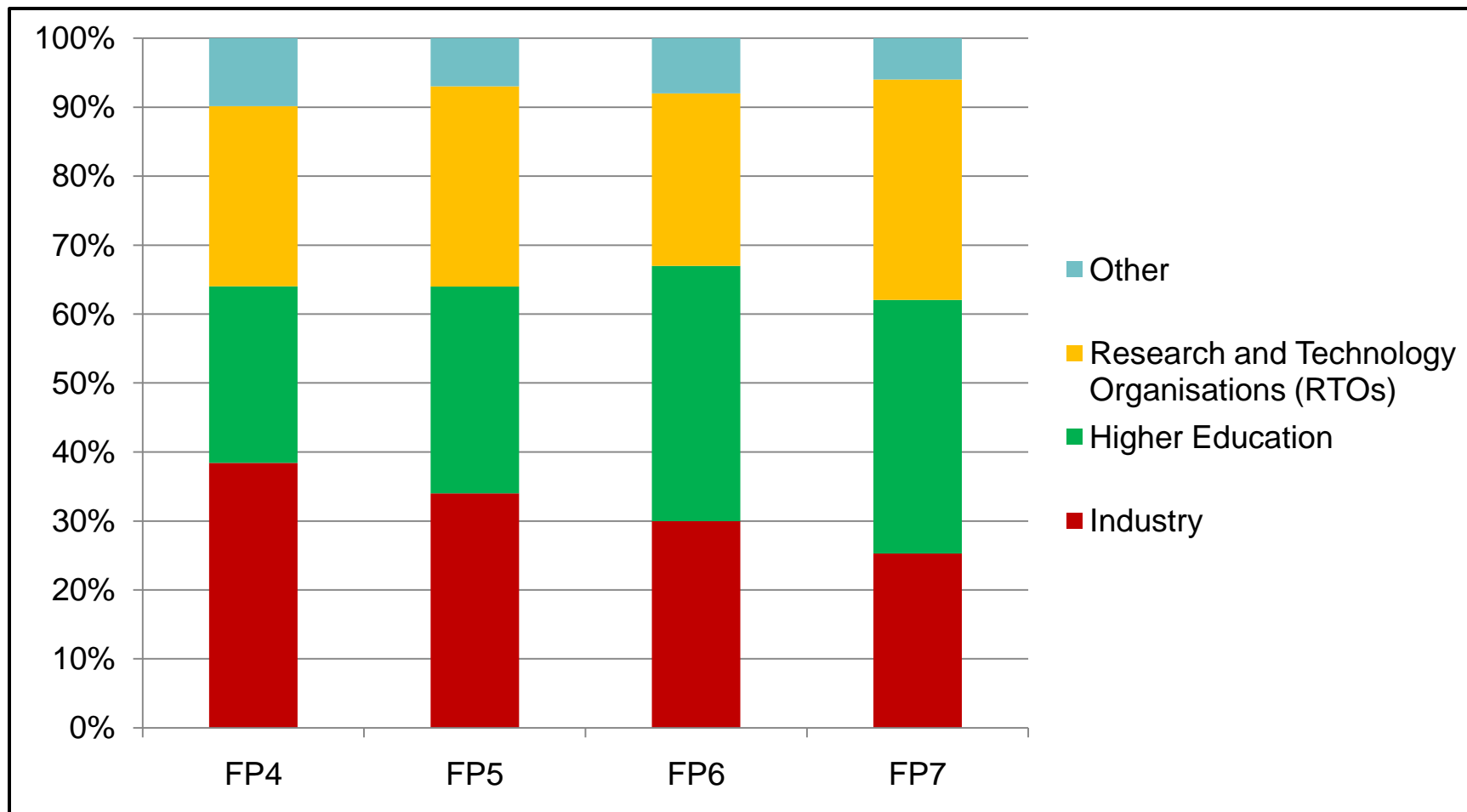


Main types of bottlenecks to solve in FP's

1. Complex and time-consuming rules to participate in FPs
2. Rules governing JTIs (Joint Technology Initiatives) are not well adapted to efficient management
3. Need for a more risk-tolerant and trust-based approach in programs



Participation of business in FP4 – FP7



Main comments on three recent EC proposals ⁽¹⁾

1. Communication on FP Simplification:

- 😊 Most proposals make good sense
- 😞 Flat rates / lump sums may lead to total funding rates below 50%
- 😞 Output/results-based financing causes major concerns



Main comments on three recent EC proposals ⁽²⁾

2. Communication on Tolerable Risk of Error (TRE)

- 😊 Reduces transaction costs for public and private stakeholders
- 😊 Contributes to more risk-tolerant and trust-based approach
- 😊 Facilitates outsourcing of FP management to agencies, etc. if appropriate



Main comments on three recent EC proposals ⁽³⁾

3. Proposal on revision of Financial Regulation EU budget
- 😊 Implements part of simplification proposals under 1. and 2 above.
 - 😊 Allows new alternatives for JTIs and PPPs, in line with JTI Sherpas' report
 - a) EU body with light model financial regulation
 - b) Body governed by private law of Member State
 - 😐 But uncertainty remains on some operational issues

