

**CONCERNS RAISED BY UNICE IN THE DISCUSSION ON THE 6TH EU RESEARCH
AND TECHNOLOGICAL DEVELOPMENT PROGRAMME (FP6)
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1. UNICE welcomes the Commission's proposal that the creation of a European research area and the deployment of the 6th Research and Technological Development Framework Programme (FP6) should be regarded as an instrument for innovation, international competitiveness and employment for Europe. This should enable Europe to become the most successful, i.e. most competitive, and leading knowledge-based region in the world.

Research, development and innovation are to be regarded as factors for success in achieving this ambitious goal. Innovation is stimulated the most by cooperation in all stages between science and industry and services. This is to be brought about through intensive networking of business, academia and research institutes. The intention given prominence in the EC's proposal whereby scientific excellence would be promoted to stimulate European economic development can only take effect if there is simultaneous and equal consideration of a strengthened innovation policy and its networking in the framework of the European research area concept, encouraging synergy between industry and academic research.

Basic research is important for innovation. In FP6, basic research is most useful when it is geared towards, and done in cooperation with, the strategic interests of industry and services. To strengthen the competitiveness and employment in Europe it is necessary also to strongly enforce cooperation between academia and business in the field of education, research and innovation. It is important that such cooperation is clearly incorporated in all parts of the FP6.

2. UNICE supports the fact that the Commission proposal contains a major block of activities covering 7 **priority thematic areas**, which address important problem areas for European society, such as employment, energy, environment, health, and transportation/mobility. UNICE insists that Community action in these priority thematic areas should basically be guided by the precise goal of developing solutions corresponding to clearly identified needs of society, instead of purely focusing on technologies. The further discussion of the priority thematic areas should focus them on strategic targets with market relevance and a clear European dimension. European industry must be decisively involved in formulating targets. An overload from too many different and/or technology driven themes must be prevented.

3. The European Research programmes should not make a goal of compensating for missing national research programmes or under developed research infrastructures. This must also apply strictly to the new candidate countries. Scientific and technological excellence, and economic relevance for Europe as a whole, must remain the main **criteria for the selection of themes**, programmes and projects to improve the competitiveness of European Industry.
4. In the proposed **breakdown of the budget**, the six technology programmes are not part of the overall budget increase of the framework programme. The proposal of the Commission delivers the additional money completely to the programmes "citizens and governance" and "anticipating future needs" and to the horizontal actions for the European Research Area. Industry strongly recommends that most of the additional money be spent on problem-oriented thematic programmes and to integrate as much as possible horizontal actions like innovation, human resources and mobility, infrastructures etc. into the thematic programmes. Promoting the European Research Area is not an target by itself. It should improve the scientific base for the technological competitiveness of European industry.

From the companies perspective it is important that the results from the different projects are integrated and that "technological platforms", which were introduced in the fifth framework, will have a developed and enforced role. Industrial participation in the early phases of technology development will facilitate technology transfer and reduce barriers to commercialization and use. It is important to have a link between basic and applied research. Basic research projects should from the beginning be integrated with applied research and with a goal of being used.

5. The principle or key criteria should be one of **European added value** – It is clear that humanities and social sciences as embodied in "science and society" have a growing importance in the new technology environment. But it is unclear if an isolated program like science and society is sufficient to handle the many complex interconnected questions that exist. It would be best to handle these questions in close coordination and association with the thematic priority instead of having an isolated or separated program. Only as an integrated part can the important questions like public acceptance and general policy support be accomplished successfully. Moreover the subsidiarity principle in the EU leads to shifts to European program only if the task cannot be handled on the national level. Basic research within the FP6 should only be performed in strategic areas with importance for European industrial competitiveness. There should be ample involvement of industry also in the basic research projects.
6. Before introducing **new instruments** in the FP6, - i.e. for integrated projects, - the pros and cons of those new instruments need to be carefully assessed. This must be done to keep the continuity of research certain and allow for a smooth transition from FP5 to FP6. This should include keeping the older, proven instruments and carefully initiating new instruments, leading to well-balanced portfolios including large but also medium-sized and smaller projects reflecting the real needs to ensure easy access to the programs for all researchers including large industry and SMEs. There should only be an acceptance of a risk of radical change and discontinuity, if the potential benefits warrant it. There already are good examples within EUREKA like the MEDEA-project. The rules of administration of MEDEA have successfully been proven in performance and should therefore be taken as a useful model. However the rules of performance must clearly be defined in advance.
7. The **integrated projects** are a step towards a concentration of research projects for the common target of 'European added value'. However with many partners, efficiency becomes critical, and project coordination must be carefully managed. Scientific and technical quality combined with European socio-economic relevance

and not only the size of the projects should be the criteria for selection, leading to well-balanced portfolios including large, but also medium-sized and smaller projects reflecting the real needs.

In order to meet the necessary transparency and also flexibility, it must be certain that the calls within an integrated project organized by the “core team” should be public (for example published on the Cordis website. Selection of the most appropriate partners in the projects should be handled by the core team itself (for reasons of flexibility). It should be possible to add new partners, but only providing that the core group agrees to the participation of a new member.

In order to have a clear structure of legal relations, no contracts should be created between the commission and new participants or partners associated with the consortium without the approval of the core team. If administration responsibility were to be delegated from the EC to the core teams of the integrated project, it should be funded 100% by the EC. The issue of the financial liability of project partners needs to be considered and addressed. The problems of one of the partners should not result in the liability to the entire partnership.

Integrated projects should be open to the participation of organizations of third countries only when the core team decides it is beneficial. (i.e. when a technology or competence is needed and is available only in a third country.) Those partners participating in a larger collaborative research project should be able to negotiate flexible and individual IPR agreements or licenses protecting the background knowledge and strategic resources of the research partners with proper FP6 participation rules. Each specialty or “homogeneous work area” within the working group shall determine access to their results and intellectual property rights. However, There should be a full disclosure of relevant information needed for each partner in a collaborative research task, in a safe and trustful atmosphere.

8. Industry will welcome the **‘networks of excellence’** instrument if the goals and the program objectives are well defined, if there is a transparent competition planned to determine the funding for the partners, and if there is a regular evaluation of the ‘networks of excellence’ established to avoid the growth of institutionalized funding. European industry should be meaningfully involved in all ‘networks of excellence’ industry-relevant themes, and should have the potential to lead networks where it is appropriate. Looking at the whole European research area (keeping in mind the magnitude of national funding versus the EC budget) it may be appropriate to improve European research by establishing networks of excellence. But based on the various networks of excellence already existing in Europe it seems ineffective to spend money establishing more networks at the expense of research projects.

A network of excellence can only be approved, if the network includes a strategy of how to spread the research results. The member state from where the network will be co-ordinated must take the responsibility of an evaluation concerning this strategy. To secure the implementation of the strategy, part of the budget of each network must be allocated to an information activity. The information will, depending on the focus of the research, be distributed either to the public or to the industry or both. The participation of companies must comprise at least 50% of each network.
