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EU- Russia Cooperation in Innovation

Innovation is important in the EU-Russia business relationship because:

- 1) In business, we recognize that there is a major competitive challenge from rapidly emerging and high tech Asian economies.
- 2) The Russian Federation should evolve towards more industrial development and a more diversified economy.
- 3) There are too many talented people leaving Russia and to some extent also the European Union because there are not enough opportunities for them.

How can business contribute to innovation?

- 1) Business in the EU and in Russia are, according to international studies, outpacing their governments when it comes to innovation (development of patents, investing in R&D).
- 2) Innovation is not only about investing in R&D, it is also about improving human resources and encouraging cooperation between companies.

What policy framework do companies need to innovate?

- 1) A stable and predictable policy framework, consisting of:
 - Funding for R&D
 - Tax policy
 - Training and education policy
 - Intellectual Property Rights (protecting patents, licensing agreements)
 - Competition policy



2) Additional policy incentives, consisting of:

- Tax incentives
- Development of SMEs
- Financial instruments
- Clean Development Mechanism
- Greater flexibility for movement of people
- Reduction of administrative burdens

