BUSINESSEUROPE

THE DIRECTOR GENERAL

Mrs Mariya Gabriel
Commissioner for Innovation, Research, Culture, Education and Youth
Rue de la Loi /Wetstraat 200
1049 Brussels
Belgium

18 May 2020

Dear Commissioner,

Research and innovation (R&I) is crucial for shaping a better European future, where success depends on the conversion of knowledge into innovation creating market and society impact. R&I becomes even more pressing in the context of the COVID-19 pandemic.

We welcome the first ERAvsCorona Action Plan and the many initiatives that you have launched to enhance R&D collaboration in the past weeks. We stand ready to support your activities in this context.

Building on the European Commission's Spring Outlook, we understand that the pandemic and related containment measures could trigger a possible loss of €22 billion in total R&D investments. Europe cannot bear this: we have been lagging behind in the innovation race for many years, and many of the socio-economic challenges caused by the COVID-19 outbreak can only be addressed by R&I.

The upcoming Communication on the Future of Research and Innovation and the European Research Area (ERA) is an opportunity to invert this tendency, leverage private investments and ensure knowledge creation and transfer across Europe. With this letter, we highlight a few conditions that will help to strengthen Europe's ability to recover.

- ***Make Europe the continent where innovation happens***

ERA was launched in 2000 to create a Research Area with a European dimension, to allow scientific knowledge and technology circulate freely and to strengthen EU's scientific and technological bases. Bearing in mind the multiple achievements of the ERA in the field of research, it is time for ERA to accomplish the intentions of the Treaties and therefore become more competitive, including in its industry (Art. 179 TFEU).

Until now, companies have not sufficiently connected to ERA, simply because the ERA had a strong focus on academic research. This is quite unfortunate: R&I has little value to society unless inventions are translated into innovations with beneficial impact for European citizens, and companies are the key driver of this translation. Considering the new European Commission's objectives as well as the increased intensity of the global

AV. DE CORTENBERGH 168
BE-1000 BRUSSELS
BELGIUM
VAT BE 863 418 279

BUSINESSEUROPE a.i.s.b.l.
WWW.BUSINESSEUROPE.EU
Follow us on Twitter @BUSINESSEUROPE

TEL +32(0)2 237 65 11
FAX +32(0)2 231 14 45
E-MAIL: main@businesseurope.eu
EU Transparency register 3978240953-79

innovation race, we believe the EU could make a better use of the ERA by involving all R&I stakeholders. A rebranding of the ERA into "ERIA" (i.e. European Research & Innovation Area) could be a bold step in this direction.

- ***Stimulate R&D ecosystems and skills development***

Participating in a BusinessEurope survey (2019), 93% of companies confirmed that they have increased their share in R&D investments dedicated to collaborative projects. This is not a surprise: the rising complexity and interdisciplinary nature of technologies make it difficult for companies (especially SMEs) to fully capture innovation potentials on their own.

Interactions between industry, academia, research organisations, government and society enhance the ways in which companies deliver products and services to society. The "Quintuple Helix" innovation model is a framework for facilitating knowledge transfer and innovation. This is the framework that the future ERA should activate. Many European regions already drive this interlinked cooperation, but such an approach must be mainstreamed across Europe. Companies need a better access to collaboration with public research entities in order to shorten the path from research results to applications and thus narrow the infamous valley of death.

Collaborations are enabled by the people that nurture these ecosystems. As such, the skills aspect of the ERA is particularly important and should be linked to the goals and the visions of the European Education Area, which should aim to strengthen cooperation between education and training and employment and labour market realities. The development of student-centred, curiosity-driven and entrepreneurial programmes is key, as is the dialogue and mobility between business and academia (and vice versa).

- ***Promote the design of an innovation-supportive regulatory environment***

In its data, industrial and SME strategies, the European Commission has recognised the potential of regulatory sandboxes, as enabling innovative solutions not already foreseen in current legislations to be live tested with regulators' supervision, and encouraged Member States to develop pilots for such sandboxes. We are convinced that establishing regulatory sandboxes at EU level would have an even stronger leverage effect, as they would guarantee legal security to innovative solutions within a short time across Europe.

To this end, I am pleased to share the results of a study (in Annex) that BusinessEurope has commissioned on the topic. The study does not reflect the position of BusinessEurope or of its member federations but provides a sound state-of-the-art of regulatory sandboxes (in Europe and beyond) and valuable recommendations, notably in the context of the future ERA and Missions.

- ***A flexible approach to Open Research Data***

Open Science has a huge potential for Europe's R&I performance and competitiveness. Yet, in the development of Open Science (in particular Open Research Data) policies, the business perspective has been missing. The unfortunate outcome is a rather simplistic dichotomy where everything that is not fully open is considered to be closed.

In order to promote an efficient ERA, regulators should provide a framework that ensures a flexible approach to openness according to the type of research data, building upon

BUSINESSEUROPE

the "as open as possible, as closed as necessary" principle. With the aim of a renewed debate about the benefits and limits of Open Research Data, I am pleased to share BusinessEurope's position paper "Open Science – a business view on Open Research Data" (in Annex).

We trust these important points would be considered when drafting the upcoming Communication on the Future of Research and Innovation and the European Research Area. BusinessEurope stands ready to provide any additional support and information.

Yours sincerely,

Markus J. Beyrer