

EU - BUILDING AN INNOVATION UNION

**Eighth Czech Days for
European Research**

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What is the Innovation Union?

A flagship of **Europe 2020** strategy

complementing other EU2020 initiatives

- Industrial Policy
- Relaunch (completion) of Single Market
- Digital Agenda
- Youth on the move
- New skills and jobs



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Context

- Emerging and growing Societal challenges
- Declining Labour Force, Ageing Population
- Globalisation
- Public Finances post financial Crisis
- Fragmented European Research Area ERA



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SWOT

Strengths

- leadership in manufacturing, creativity, design, aerospace, telecom, energy and environment

Weaknesses

- underinvestment in and declining share of R&D, industrial structure, VC and education

Opportunity

- society challenges, new markets

Threats

- increasing competition (BRICI), loss of skills base



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Response - Innovation Union

Commitment

strategic and business oriented research and innovation
to
tackle society challenges, raise competitiveness and
create jobs

34 concrete actions



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Overview of Innovation Union

- Supply side actions
- Ideas to Market
- Cohesion
- Pooling forces
- Leverage
- Making it happen



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Supply side actions

- Knowledge base
- ERA
- Funding programmes



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Supply side actions - Knowledge base

Problems

- too few researchers, too few scientists, unattractive careers, skill shortages, outdated curricula

Actions

- strategies to train more researchers, 1M more [1]
- ranking of Universities, curricula on skills gaps [2]
- Development of eskills for innovation and competitiveness [3]
- [invite] EIT to expand KICs [4]



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Supply side actions - ERA

Problems

- Obstacles to researcher mobility, fragmentation of programmes, complexity and multiplicity of programmes, administrative burden, scale of infrastructure.

Actions - ERA framework

- to address mobility obstacles and cross-border cooperation including i.a. open recruitment, supplementary pension funds, dissemination, transfer and use of results [5]
- complete priority infrastructures [6]



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Supply side actions - Funding programmes

Current - focus on co-operation and excellence

Action

- Innovation objectives, society challenges in FP, as well as CIP and SF, streamline and simplify programmes [7]
- Simplify access for SME [8]
- Forum on forward looking activities, stronger scientific base for policy making [9]



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Ideas to Market

- Access to Finance
- Single Innovation market
- Capitalising on creativity



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Ideas to Market - Access to Finance

Investment in ideas primarily for market

Problems – underinvestment in research, industrial structure, relative lack of firms in key sectors.

Actions

- Instruments to invest in knowledge transfer, VC, RSFF, loans for YIEs [10]
- VC funds functioning across borders[11]
- Review impact of changes in financial market on economy[12]
- Review of State aid framework for R&D&I, safe harbour for VC [13]



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Ideas to Market - Single innovation market

Single Market should attract investment, spur competition

Problems – fragmentation of markets, patenting, lack of procurement, regulations, standards

Actions

- EU patent and unified dispute settlement [14]
- Screen regulatory framework [15]
- Accelerate and modernise standard setting [16]
- Budget for procurement of innovative solutions €10B/yr [17]
- Eco-innovation action plan [18]



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Ideas to Market - Capitalising on creativity

Paradigm – open innovation, access to markets, all forms of innovation, balance openness and providing RoI, unused IPR's, IP and competition policy

Actions

- EU Design leadership board, enhance role of design [19]
- Open access to FP results [20]
- Facilitate collaboration and KT, model contracts [21]
- K market – trading platform [22]
- Competition policy safeguarding against misuse of IPR [23]



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Cohesion

Challenge – avoid inno divide, involve all regions, unaddressed needs

Actions

- Increase use of SF for R&I projects focusing on skills, smart specialisation [24]
- Post 2013 SF increase focus on innovation [25]
- Social Innovation pilot [26]
- Research on public sector and social innovation [27]
- Consultation on how K economy spread to all sectors [28]



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Pooling forces

Challenges – quality of lives of elederly, reducing CO2, use of water and RM, resource efficiency, need for breakthrough technologies

Actions

- Support Innovation partnerships acting across full innovation pathway [29]
- Step up R&D, coordinate investments in pilots, anticipate standards and regulation, mobilise demand
- Strong high level commitment, clear EU added value



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Leverage

Problem – brain drain, non-reciprocity in INCO

Action

- Ensure best researchers and innovators reside in Europe [30]
- Scientific cooperation on level playing field wrt market access, standardisation, IPR, access to procurement [31]
- Global development of large infrastructures [32]



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Making it happen

Challenge - Reform R&I systems

Action

- MS to self assess on basis of features of strongly performing systems [33]
- Develop new indicator on share of fast growing innovative companies [34]



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What is Innovation Union?

Strategic approach

- **Partnership** with Member States
- Whole chain of innovation: from **blue sky to market**

Weaknesses and threats

- **Under-investment**
- **Fragmentation**
- **Increasing competition**
- **Framework conditions**

strengths and opportunities

- Focus on **societal challenges**
- **Broad concept** of innovation
- Involving **all actors**

→ **A distinctive European approach to innovation**



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Innovation Union highlights

- European Innovation Partnerships
- European Research Area framework
- Streamlined EU programmes
- New financial instruments
- Reform of standardisation system
- Public procurement of innovation
- Social innovation pilot
- Stronger monitoring



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