Belgian Presidency conference "Towards a European research open to the world" 17/18 September 2001

Address by Baron Jacobs, President of UNICE

President of the Research Council

Members of the European Parliament

Director-General:

I would like to thank you for inviting UNICE, which represents the central business and employer federations in 26 European countries, to speak in this general debate on how to strengthen European scientific excellence, with a view to increased exchanges with the international scientific community.

UNICE welcomes the Belgian Presidency's initiative of organising this debate since it attaches great importance to development of Community actions designed to:

- increase the offer of initial research training; and
- raise research to the level of scientific excellence.

It is perhaps useful to ponder for a moment on this notion of scientific excellence, which is not easy to express in a few words. What seems important to me it that this notion should include the capacity to produce research results which, thanks to their quality and their relevance for socio-economic needs, can form the basis for future innovations.

Taking this definition as a reference, UNICE supports the Commission's proposal for widening the mission of the framework programme – which hitherto has served as an instrument for support of cooperation in the field of research and development – to include more horizontal actions designed to strengthen scientific excellence in Europe. If well managed, this widening of objectives can respond to a constant concern of companies, namely ensuring that quality basic research is carried out today in order to feed into applied research tomorrow.

Against this background, I would like to address three subjects:

- first, Community initiatives which seek to support researcher mobility;
- second, the new Community instrument of "networks of excellence";
- third, the need to tackle a series of regulatory rigidities which thwart scientific excellence and innovation, and which fall outside the scope of direct action by the Commission.

By way of conclusion, I shall make some comments on the research framework programme currently under discussion.

I propose to look at these different points in the light of a fairly generalised observation, i.e. that research excellence is increasingly determined by the variety of skills – academic, industrial or others – which are mobilised on this research. This observation emerges from a very large number of case studies. Thus, one of the questions which interest companies more specially, and which will serve as the leitmotiv of this address, is the extent to which public initiatives – Community or national – stimulate cooperation between universities, companies and research institutes.

Community initiatives to encourage researcher mobility

UNICE strongly supports all envisaged Community actions to encourage the mobility of researchers at the different stages of their careers.

UNICE appreciates the fact that the emphasis is placed not only on the geographical mobility of researchers and on mobility between disciplines but also between "sectors", i.e. on mobility between the academic world and the corporate sector.

We are pleased that corporate staffers will have access to the "Marie Curie" networks, fellowships and awards. If this access is to become reality on a large scale, it is very important to put light and efficient administrative procedures in place.

The new Community instrument of networks of excellence

The instruments of networks of excellence proposed by the European Commission has prompted guite a number of questions in business circles.

These questions are motivated notably by the Commission's idea that the networks of excellence should develop a programme of activities related to long-term objectives and not to predefined results in terms of products, processes or services. Given this principle, and

also given the fairly large size envisaged for these networks, the fear has been expressed that they will only mobilise academic centres. UNICE is pleased that Commission officials have recently given clarifications on this question. The Commission apparently intends to ask each network of excellence to put in place a *mixed* management structure comprising a *scientific and technical panel* with experts from, inter alia, companies. UNICE urges that this mechanism actually be put in place. Such panels, which would enable companies to give signals on long-term market demand, constitutes an essential element for stimulating the excellence and relevance of research, as well as innovation. These panels should also ensure rapid information to companies on developments in basic knowledge.

It is essential that the creation of networks of excellence is accompanied by definition of a strategy for dissemination of research results. This dissemination must be organised towards the public or towards companies, or towards both, depending on the nature of the research.

It is also important to avoid the pitfall of only supporting very large networks. Scientific excellence can also be generated by very dynamic "mini-networks".

If proper attention is paid to these different aspects and to others commented on in UNICE's 19 June 2001 opinion on the framework programme, we believe that the instrument of networks of excellence offers good potential for promoting scientific excellence. It is important to start planning a first evaluation of this new instrument with a view to adjusting it, if necessary, in the light of experience.

Regulatory rigidities which hold back exploitation of research

I would now like to draw attention to a series of obstacles to development of scientific excellence and innovation which call for action primarily at national level.

In particular, I would like to stress the effort that needs to be made to enable universities to commercialise research results effectively, whether on their own initiative or in the framework of agreements with companies.

Regulatory obstacles to exploitation of results by universities can be observed in five areas:

- First, in the area of ownership of the results of research financed out of public funds;
- Second, in the area of freedom to exploit to results of research financed out of the public purse;
- Third, in the area of participation in the capital of spin-off companies;

- Fourth, in the area of placement of academic personnel in spin-off companies;
- Last, in the area of placement of academic personnel in existing companies.

As demonstrated by a recent UNICE report on innovation, a majority of European countries lag behind the best American practice in these five areas of legislation, a lag which can be described as significant or serious depending on the country. It is also important to take account of the large differences which exist between European countries.

Catching up with best American practice is essential both from the general angle of promoting innovation and in order to optimise the fallout from Community actions in the areas of mobility and networks.

Thus, we fully endorse the fact that the Commission has placed the issue of these rigid national practices on the agenda. We urge that this initiative lead to reforms at national level, in the spirit of the open coordination method decided at Lisbon. Progress in all these areas is urgently needed, since it appears that the permanent brain drain to the USA is linked in part to the lack of bridges between the academic sector and the private sector in Europe.

I would like to conclude by returning to promotion of excellence and innovation through Community actions.

The integrated projects and, more generally, the industrial cooperation projects supported by the European Union are clearly an essential tool for promoting the excellence of research and innovation. I have not examined projects of these types because this two-day conference relates more particularly to the *horizontal support* measures developed by the Commission. However, in the context of the current debate on the framework programme, I would like to express the concern felt by companies by the fact that the funds envisaged for the thematic programmes seeking directly to strengthen corporate competitiveness have hardly increased in the 6th framework programme as compared with the 5th.

UNICE calls for the objective of promoting competitiveness to be given form not only through actions designed to *close the gaps* seen in some sectors of applied research, but also through actions designed to *consolidate the strong positions* which European companies have managed to acquire in international technological competition. UNICE hopes that this double need will be fully taken into consideration in the forthcoming negotiations between the European Parliament and the Council on the 6th framework programme.

Thank you.