



15 July 2010

MEETING BETWEEN MS MAIRE GEOGHEGAN-QUINN, EUROPEAN COMMISSIONER FOR RESEARCH, INNOVATION AND SCIENCE AND PHILIPPE DE BUCK, DIRECTOR GENERAL OF BUSINESSEUROPE

16 JULY 2010

1. <u>BUSINESSEUROPE</u> has strong expectations concerning a more integrated <u>EU</u> research and innovation strategy

BUSINESSEUROPE was very pleased to see that the Communication "Europe 2020" comprises the flagship project "Innovation Union" which reflects a will:

- * to strengthen every link in the innovation chain, including post-R&D activities such as commercialisation,
- * to improve the framework conditions for business to innovate.

We hope that the assignment of responsibility for both research and innovation to the same Commissioner will ensure development of EU initiatives in the field of research and innovation based on a more holistic strategic vision.

BUSINESSEUROPE called for such a holistic strategic vision in its October 2009 memorandum "Innovation: building a successful future for Europe" which makes concrete recommendations under five headings:

- increase public and private investments.
- enhance public support policies,
- nurture future talent,
- stimulate demand and markets for innovation,
- implement integrated policy approaches, generating an innovation-friendly regulatory and financial framework.

We hope that the EU Research and Innovation Plan that the Commission is to publish in September 2010 will confirm the move towards a holistic strategic vision.

For BUSINESSEUROPE, it is essential that the Competitiveness Council and then the European Council adopt an ambitious roadmap for implementing a broad-based EU research and innovation strategy this autumn. The roadmap must ensure that a holistic vision guides preparation of the two Commission communications expected in 2011, covering respectively:

- European Research Area (ERA),
- 8th Framework Programme.



It is important to get rid of the "silo approach" which has sometimes been observed in the past for the preparation of such strategic documents.

In that spirit, BUSINESSEUROPE recommends that the Competitiveness and Innovation Framework Programme (CIP) is integrated in the Eighth Framework Programme (FP8) so that FP8 can address research as well as innovation in a coherent way.

BUSINESSEUROPE was satisfied to note that European Council on 17 June 2010 confirmed the goal of increasing EU spending on research and development to 3% of EU GDP in more precise wording than was previously the case. More specifically, government leaders have defined the second headline target for the EU as follows:

" improving the conditions for research and development, in particular with the aim of raising combined public and private investment levels in this sector to 3% of GDP".

BUSINESSEUROPE urges Commissioner Geoghegan-Quinn to play her full role in enabling this improvement in conditions at all levels.

2. Refocusing R&D and innovation policy on the challenges facing our society

BUSINESSEUROPE supports the intention of giving the EU research and innovation policies a stronger orientation towards addressing major societal challenges. In doing this a focus should be placed upon economic challenges and job creation. "Staying competitive" should be one of the overall challenges to prioritise. Industry can play a major role in solving societal challenges, which can represent major business opportunities. In this respect, public and private interests go hand in hand.

Examples of societal challenges that should be considered are energy, health care, resource efficiency and mobility. Clearly, this refocusing of R&D and innovation policies should leave sufficient room for supporting "frontier research".

3. Simplification of the Research Framework Programmes

By adopting the Communication on simplification on 29 April 2010 and the Communication on the tolerable risk of error on 26 May 2010, the European Commission has proved its will to simplify significantly the implementation of Research Framework Programmes.

Both Communications have paved the way for a simpler and more efficient framework. Most of their provisions are right steps in the right direction. Yet, a few points of concern remain for companies, which have been outlined in a BUSINESSEUROPE note submitted to Commissioner Geoghegan-Quinn on 22 June 2010.

Furthermore, a new and leaner framework for public-private partnerships in research should be set up. BUSINESSEUROPE urges the Commission, together with the Parliament and Council, to implement without any delay the recommendations of the JTI



(Joint Technology Initiative) Sherpas Group report on "Designing together the "ideal house" for public-private partnerships in European research".

4. <u>Development of the EU industrial policy</u>

BUSINESSEUROPE has developed its views on this issue in a position paper dated 16 June 2010 which stresses that the EU innovation policy must inspire a major portion of the future EU industrial policy agenda.

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