

**SPEECH BY
EUROPEAN COMMISSIONER MÁIRE GEORGHEGAN-QUINN
AT THE OPENING OF THE
EUROPEAN RESEARCH AREA BOARD CONFERENCE
(ERAB)
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Ladies and gentlemen.

I am glad to have the opportunity to address you today at the first conference of the European Research Area Board.

ERAB was created by the Commission in order to inspire it in its efforts to create the European Research Area. I am very happy that the work done by ERAB meets our expectations.

As the new **European Commissioner for Research, Innovation and Science**, a big part of my job is to help create the conditions for a more dynamic Europe. A Europe where we use excellent research and innovation to tackle head-on the problems – the Grand Challenges - facing our society now and in the future.

But also a Europe where excellent research improves our knowledge capital and leads to innovation in successful and dynamic businesses. And a Europe where the most talented people want to live and work.

As the first Commissioner with specific responsibility for Innovation, I have to make the three elements of Research, Innovation and Science work together.

For me, these three areas are a natural fit.

Making the triangle between Research, Innovation and Science work is therefore, in a certain sense, my "*Grand Challenge*" and it is quite clear that I cannot and do not want to do this alone. I need to reach out to Member States, but I also rely on business, researchers and other stakeholders, like you gathered here, to transform Europe into a really vibrant innovation society or what the Europe 2020 strategy calls an "Innovation Union".

The Europe 2020 strategy, adopted only two months ago on 3 March, is a dynamic roadmap, a call to action. It outlines the policies and initiatives that we need to implement over the next five to ten years not only to get Europe out of the current crisis, but to do so in such a way that we encourage a new economy, a new society which is smarter, greener and more inclusive. A Europe with high levels of employment, productivity and social cohesion.

This is a tall order!. But one that I know we can achieve. To get us there, the Europe 2020 Strategy focuses on the three key areas where action is most needed in order to boost Europe's competitiveness, productivity, growth and economic convergence. These three areas are:

1. knowledge and innovation, including a flagship initiative to create an "Innovation Union",
2. a more sustainable economy – "Smart Growth", and
3. high employment and social inclusion.

As the Commissioner for Research, Innovation and Science, I have to steer the preparation of initiatives that will deliver the 'Smart Growth' priority within the 2020 Strategy, aiming at making knowledge and innovation the main drivers of our future growth.

With this aim in mind, I will prepare a new Research and Innovation Strategy in collaboration with a group of my fellow Commissioners who share responsibilities in this area: Joaquín Almunia (Competition), Siim Kallas (Transport), Neelie Kroes (Digital Agenda), Antonio Tajani (Industry and Entrepreneurship) and Günther Oettinger (Energy).

We will prepare this Research and Innovation Strategy before the summer, in time to send it to the European Council for discussion and, I hope, endorsement at their autumn summit.

We need bold joint action from the European Union and the Member States to deliver results and it is a very positive signal that the Spanish Presidency has made innovation one of its key priorities. The Research and Innovation Strategy that I envisage will make clear Europe's intention to re-focus research and innovation policies on the Grand

Challenges our society faces: climate change, energy security, food security, health, an ageing population. It will also address the short term challenge Europe is currently facing: how to engineer a sustainable economic recovery.

In key areas connected with major societal challenges, I feel, just like ERAB has advocated in its first report, that it is indeed necessary to launch strategic European initiatives aimed at solving specific problems. We call these strategic initiatives '*European Research and Innovation Partnerships*'. Their main ambition is to synchronise large-scale Research and Development efforts around the Grand Challenges.

You will have noticed that the EU 2020 Strategy, and what I envisage with the Research and Innovation Strategy, echoes the key messages from ERAB's first report "*Preparing Europe for a new Renaissance*". In that report ERAB makes the point that Europe and the world are facing huge problems which call for significant changes which can only be achieved if we fully mobilise our knowledge, creativity and innovation.

Europe has previously experienced a similar sea-change, a blooming of creative and intellectual energy: the Renaissance. I therefore find ERAB's call for a "*new Renaissance*" appropriate and appealing in light of the challenges we face.

The objective that drives ERAB's vision - restoring sustainable prosperity to Europe after the crisis - is a clear one, and I like that, because in many ways it coincides with one of my main objectives.

What I find particularly encouraging is that this indicates a consensus amongst policy-makers and scientists on the urgency of addressing the real big issues of our time and on the need for science and research to find solutions.

That means we can move on to thinking how to make this work. And this is where I hope, as a politician, can help and where you, as stakeholders are so important.

Because making science and research active in tackling our Grand Challenges is precisely where innovation comes in.

We know that we are confronted with an "innovation deficit" compared to other more dynamic regions and countries. By "deficit" I do not mean that we are particularly at poor turning science and research into new technologies, products and services. I mean that we are not yet good enough at it. The information and communication technology sector is a good case in point, as demonstrated by work done by the Joint Research Centre's Institute for Prospective Technological Studies – our hosts today. We have excellent schools and fine laboratories and facilities, and while our scientists publish a lot, European companies did not create Google, Twitter or Facebook, nor the i-Phone or i-Tunes. These are

some of the truly game-changing ways in which new technologies have been applied. In other words, we are failing to fully capitalise on our research and science.

And we know the reasons why we are failing. They are wide-ranging, there is an abundance of literature on them. In fact many, many reports and statistics! Having read quite a lot of such reports in the last few months, and spoken to many knowledgeable and experienced people – including ERAB – this is my thinking on some of the reasons why we are not doing as well as we should:

1. Our research quality is not consistently high, against a global benchmark
2. University/Industry interface is poor, hampering innovation and collaboration
3. Low mobility of researchers & engineers within the EU, & between industry & academia
4. Financing for early-stage technology companies is scarce
5. Financing for mid-stage technology companies is very scarce!
6. Patent costs are too high in Europe
7. Innovation clusters are weak and dispersed
8. Public procurement does not encourage innovation
9. European market fragmentation and concentration slow technology demand
10. Entrepreneurship is undervalued in many European countries.

Finally, a crucial factor in explaining why, under the same global conditions, the United States for example is more innovative, has to do with the current labour and market rigidities in Europe - these make the use and uptake of innovation much more difficult than in the United States.

I am sure there are many other factors that explain Europe's "innovation deficit" – each of which would merit its own conference! However, I expect this unique gathering of so many knowledgeable stakeholders, to help me - to help us all, draw up as comprehensive a list as possible. I am sure that some of the issues I have just mentioned can be used as a springboard for your discussions.

Therefore I look forward Professor Wood, to hearing the results of your discussions on the 26 Milestones identified by ERAB as markers or indicators of progress to show that we are on the right road to achieving a real European Research Area, and ultimately the Renaissance you talked about.

Your discussions on the present bottlenecks and the recommendations on actions to overcome them will make a very valuable contribution to the Research and Innovation Strategy, precisely because I want the Plan to focus on and address the bottlenecks that hinder science and research from helping solve, through innovation, our grand Societal Challenges.

My contribution, as Commissioner, is to create the right environment for science and research to be able to do this. And that means we need a

dynamic and comprehensive strategy – an Innovation Policy - geared towards excellent research, new technologies, new products and new solutions. Geared towards change.

Making this triangle between Research, Innovation and Science work is therefore the crux of my portfolio and that is where I expect you to help me and contribute with concrete ideas.

Let me set you a challenge:

In this conference you represent a unique gathering of long-term strategic thinkers and do-ers in research innovation and science. I ask you to provide me with at least ten concrete proposals on how research, innovation and science can contribute to addressing society's Grand Challenges, to prepare Europe's post-crisis smart, green economy and society.

You have my word, Professor Wood, that I will carefully study each one of your proposals.

I want to conclude by saying that I am especially pleased that we have with us several young researchers: the research leaders of 2020 and beyond. Their generation and ones coming after will not forgive us if we miss this unique opportunity we now have, with research and innovation at the top of the political agenda, to make a real difference.

I therefore call especially on the young researchers present – and I leave it to each of you to decide whether you fall into this category! – to be provocative, imaginative and daring in your ideas.

If we are going to get the best out of Research, Innovation and Science in Europe, if we are going to fully capitalise on our knowledge and talents, if we are going to tackle the Grand Challenges: we need to be innovative and daring.

Distinguished ERAB community, I expect a lot from this conference. I expect a lot from you. And I am very confident that you will deliver!

Thank you for your attention.