

Inaugural meeting of high level expert group on key enabling technologies

Speech by

Johannes HAHN, Commissioner for Regional Policy

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Dear colleagues,

Ladies and gentlemen,

Introduction

Looking back in time we see that a new development, a new innovation, changes our world. We see countries that traditionally were the frontrunners of economic development, lose their competitive edge. And we see countries who have taken advantage of a key development or innovation to move up the global competitive ladder.

Today, the Union's traditional position at the helm of competitiveness has been challenged. The on-going economic and financial crisis is a stark reminder that Europe has fallen behind. In recovering from the crisis, it is important to regain our competitive advantage. And to do so, we have to be in the lead in research and development and innovation. We have to come-up with the next success stories by turning ideas to products.

This is where Key Enabling Technologies come into play. They have the potential to become the foundation of our future economic development. They can make a big contribution to EUROPE 2020 objectives of smart, sustainable and inclusive growth.

The high level expert group underlines the importance the European Commission ascribes to Key Enabling Technologies. It marks the move away from individual actions and towards a coordinated approach across different policy fields.

Key Enabling Technologies are important for the industry and entrepreneurship, for research and development, for digital agenda and for Cohesion Policy. Fellow Commissioners have explained the importance of Key Enabling Technologies for their own policy areas. I will explain the significance of KETs for Cohesion Policy.

Cohesion Policy and KETs

The Commission proposal for the new period aims to establish Cohesion Policy as an investment, forward-looking instrument and not merely a transfer of funds to the poorest regions. It is entirely aligned with EUROPE 2020 strategy and the objectives of smart sustainable and inclusive growth. We have introduced many new elements to enforce this investment approach of our policy.

One of the novelties we proposed is thematic concentration. This means that, at least 80% of the available resources in more developed regions and 50% in less developed regions, will be allocated on things such as research and innovation, ICT and low carbon economy. In this context, Key Enabling Technologies is one of the sectors clearly identified in the proposal.

Key Enabling Technologies can lead to new and better products and processes, generate economic growth and employment and strengthen competitiveness of the EU and its regions. They have enormous market potential. With growth rates between 6% and 15% in the next 4 years, it is expected that the global market for Key Enabling Technologies will grow to over €1 trillion in 2015.

They can be the driving force for innovation, increase productivity, give rise to new products and applications and help tackle societal challenges.

Therefore, the impact of Key Enabling Technologies on the regions can be immense, contributing to regional development and competitiveness. They can transform, modernise and renew industrial base of regions. They can help regions diversify into higher value-added, knowledge-intensive activities.

Structural Funds can encourage and facilitate this process. They can support the take-up of Key Enabling Technologies by promoting fast and 'closer to market' assistance. They can contribute to the development and testing of products and production methods.

The proposed ERDF regulation contains provisions to foster the adoption and diffusion of Key Enabling Technologies for the benefit of the industries. Moreover it

encourages investment in their development and pilot lines something that could allow our regions to maintain manufacturing jobs.

However, the successful implementation of these provisions depends on the take-up by regions through their research and innovation smart specialisation strategies.

As you know, the European Union has very good research and development capacities. However, it is not as successful in translating research results into commercialised manufactured goods and services. It is precisely this gap - between innovation and commercial application - that the research and innovation smart specialisation strategies seek to address. And it is exactly for this reason why Key Enabling Technologies should be an integral part of every region's smart specialisation strategy.

Conclusion

For the European Union to be competitive in today's globalised world, it is important to take advantage of the emerging field of Key Enabling Technologies. To do that we must all work together, joining different policies in a co-ordinated manner. The presence of four Commissioners here today shows the European Commission's commitment and determination to make this possible. The signature of the Memorandum of Understanding with the European Investment Bank is also a very important step in this direction.

Dear Mr President and members of the high level expert group,

We look forward to your work to steer us in the right direction. We depend on you to provide practical guidance and good examples to our Member States and regions on how to concretely implement Key Enabling Technologies on the ground and make this work as part of their smart specialisation strategies.