



Minutes of the Sherpa Group Meeting High Level Group on Key Enabling Technologies (HLG KET) 12 September 2013

1. Introduction: objectives of the meeting by M. Crean (Vice President of CEA Technologies, Chairman of the Sherpa Group)

M. Crean welcomed the Sherpa Group and provided feedback on the last KETs High Level Group meeting that took place on the 16th of July 2013 at which the European Commission has been informed by the HLG of the recommendations of the *Status Implementation Report*. In particular, he referred to Vice-President Tajani's speech, which confirmed the EC support of key issues raised by the HLG KET report, including:

- the recommendations on the protection and exploitation of European funded intellectual assets,
- the implementation of multi-KETs industrial pilot line projects and test cases through PPPs,
- the need for effective and efficient combined funding mechanisms for such capital intensive projects,
- the need to facilitate the access of SMEs to European KETs Technology platforms and prototyping facilities through Horizon 2020 and/or COSME support,
- the development of KETs skills in Europe, in particular, regarding the urgency to launch the KIC on Advanced KETs-enabled Manufacturing.

A discussion then focused on the issue of the European Council on Industrial Competitiveness scheduled for February 2014. Vice-President Tajani mentioned this policy milestone in his speech of July 2013 to the KETs HLG. The commitment of the KETs HLG stakeholders, through a Memorandum of Understanding (MoU), is expected by the EC in this context.

M. Catinat (Head of Unit KETs and Digital Economy, DG ENTR) precised that this MoU, mentioned in the EC communication on KETs¹ should constitute a political declaration on the key role of industry to EU's economy in the future. It was agreed that the content and the format of such an MoU would be discussed during the next Sherpa Group meeting of October.

2. Welcome and introduction by the European Commission Representatives:

M. Catinat (Head of unit KETs and Digital Economy, DG ENTR)

M. Catinat confirmed that Vice-President Tajani had expressed great satisfaction regarding the KETs HLG meeting of July 2013, and that the recommendations of the Status Implementation report would help to reinforce the industrial policy in the European political agenda.

He confirmed that significant progress had been made during the last months regarding the adaptation of Horizon 2020 and ESIF regulations, as well as regarding the reinforced collaboration with the European Investment Bank (EIB). Concerning the EIB, he informed the Sherpa Group that in the first half of 2013, the EIB signatures to KETs projects almost reached the lending volume for the whole of 2012: EUR 2.6 bn.

He then mentioned the on-going discussion on the revision of state aid rules and more precisely of the R&D&I Framework and the GBER which are of importance to KETs.

In addition, he informed the group that the support of Vice-President Tajani relates in particular to:

- The four test cases on industrial pilot line projects;
- The access for SMEs to KETs European Technological platforms
- The focus on skills

Finally, he presented the next milestones of the European policy agenda as the Industrial Policy Communication, the launch of Horizon 2020 work programmes and actions related to Cohesion Policy (including Partnership Agreements and Operational Programmes to be submitted by Member States)

¹ «A European strategy for KETs – A bridge to growth and jobs », 26 June 2012,

The representative of DG CONNECT reminded the Group of the **five areas of work** for the future direction of the KETs HLG, requested by Vice-President N. Kroes at the KETs HLG meeting of July 2013: SMEs, Clusters, Smart Specialisation strategies, Skills and KETs and Societal challenges.

The representative of DG RTD confirmed that the formal adoption of Horizon 2020 would take place in November 2013 with the vote from the European Parliament.

Member States will now be consulted on the Work Programmes. Advisory Groups will also be created and consulted on the Horizon 2020 priorities, as well as “stakeholders configurations” (e.g. PPPs and ETPs). The call on Horizon 2020 Advisory Groups raised 15000 applications; experts will be selected in order to allow balanced groups.

M. Crean asked the Commission about the status of the KETs HLG as an Advisory Group (if allowed to be consulted on the Horizon 2020 Working Programmes). Regarding the issue of the KETs and Societal Challenges, M. Crean asked if a presentation from the EC on the structure and organisation of the Societal Challenges could be scheduled for the next Sherpa meeting.

3. High Level Group on KETs Working Groups

The following list of Working Groups along with Working Group Leadership was agreed and validated by the Sherpa Group.

It was also discussed that the KETs HLG was not the appropriate group to address the issue of public procurement.

Regarding the working groups on the test cases, M. Crean explained that the groups were expected to clarify, for each thematic area:

- The scope, objectives and types of pilot lines;
- Financial envelope necessary
- Co-funding contribution;
- Scale of the challenge (how many pilot lines are needed?).

Regarding the issue of the “benchmarking study on Innovation and industrial ecosystems”, M. Catinat explained that the Sherpa Group should provide relevant examples, data and statistics on the complementary role of big companies and SMEs in industrial ecosystems. It was agreed that an expert from DG ENTR would work with the Sherpa Group.

THEMATIC WORKING GROUPS	CHAIRMAN	CO CHAIRMAN
WG1 : Analysis of multi-KETs industrial pilot line project test-cases via joint-PPP mechanisms	J. Perrot (EADS)	M. Steiger (Volkswagen)
WG2 : Implementation of multi-KETs industrial pilot line project test-case on Embedded Energy via PPP mechanisms	P. Mijlemans (Umicore)	P. Van Staa (Bosch)
WG3 : Implementation of multi-KETs industrial pilot line project test-case on High Performance Manufacturing via PPP mechanisms	F. Geerts (CECIMO)	Z. Pazin (EFFRA)
WG4 : Implementation of multi-KETs industrial pilot line project test-case on Smart Structure via PPP mechanisms	P. Cartuyvels (Bouygues)	E. Jan-Sol (TNO)
WG5 : Implementation of multi-KETs industrial pilot line project test-case on Innovative Industrial processes via PPP mechanisms	C. Burel (Novozymes)	J. Dupont (Europabio)
WG6 : Pan-European access to early stage KETs prototyping facilities for SMEs:	R. Lichtmannegger (Aust. FEC)	P. Bressler (FhG)
WG7 : KETs skills and education	K. Kurzydowski (NCRD)	L. Tondelli (CNR)
WG8 : Integrate KETs into H2020 Pillar 3 on societal challenges	G. Klotz (CEFIC)	L. Servaranta (VTT)
WG9 : Promote KETs at Member State and regional levels	B. Cannon (Intel)	T. Tingaud (ST)
EIB TASK FORCE ON KETS FINANCIAL ENGINEERING	G. Muent (EIB)	
JOINT ANALYSIS TEAM Benchmarking study on Innovation and industrial ecosystems	EC / SHERPA GROUP	

4. Open discussion on the first preliminary draft of the guidance on synergies between Horizon2020 and European Structural and Investment Funds (ESIF)

Katja Reppel (Deputy Head of Unit, DG REGIO), presented the first preliminary draft of guidance on synergies between Horizon 2020 and ESIF. One of the key issues subsequently discussed was related to the legal obstacle to substitute national/regional co-funding by ESIF funding, in the context of the Joint Technological Initiatives. Allowing national contributions to come from ESIF would contradict the objectives of such Joint Technology Initiatives (i.e. to leverage investments in addition to Union sources) and would also infringe the additionality principle (which precludes the use of a Union funding instrument to substitute the non-Union contribution to another Union instrument), as explained by Mrs Reppel.

The Sherpa Group agreed to work closely with DG REGIO in order to render the issue of combined funding more clear and precise.

5. Presentation JRC report on "KETs priorities declared by regions in the context of their work on RIS3", by Stephen Davies, JRC

M. Davies presented the report on "KETs priorities declared by regions in the context of their work on RIS3". According to this report, around 2/3 of all regions whose data are included in the "Eye@RIS3" database (75 regions at the time of publication) mention KETs as a priority of their RIS3. Around 20% of all priorities declared by regions whose data are included in the "Eye@RIS3" database are related to KETs.

The report is available at <http://s3platform.jrc.ec.europa.eu/documents/10157/252768/KET%20-%20Preliminary%20report%20on%20KETs%20priorities.pdf>

Preliminary findings revealed that

- Horizontal priorities need to be defined, in addition to technological, sectoral or cross-sectoral ones, and these could involve the diffusion and/or application of KETs.

- Regions still have a lot of questions related to state aid and financing of KETs.
- The concrete mapping of capacities and on-going work on KETs at regional level might well be an "entry strategy" to the uptake and deployment of KETs that is commonly used in the European regions and is consistent with individual economic/business patterns and R&D and knowledge endowments.

The next steps will be the following:

- A survey will be carried out amongst the regions registered in the S3 Platform after the summer of 2013, in order to allow a more in-depth understanding of the actual level of awareness of the role and potential of KETs in the context of RIS3 and of the perceived obstacles or limitations.
- Finally, an updated version of the Draft Report itself will be circulated to Sherpa members early next week, prior to publication.

6. KETs HLG Workshops: status update by Working Group Chairmen

It was agreed that the new working group chairmen, dedicated to each thematic area, should work on the speakers and participants to invite to this workshop.

M. Hoffman presented the draft agenda of the workshop on "KETs and global competitiveness". Following Sherpa Group discussion, it was agreed that the organisation of this workshop should be postponed.

7. Expression of interest to actors Multi-KETs pilot production demonstration projects, by Gavino Murgia, Deputy Head of Unit KETs and Digital Economy, DG ENTR

Presentation available on CIRCABC.