



**Minutes of the Sherpa Group Meeting**  
**High level group on Key Enabling Technologies (KETs HLG)**  
**10 April 2014**

**1. Introduction on the objectives of the meeting, by Mr. Gabriel Crean, Vice-President of CEA Technologies, CEA, Chairman of the Sherpa Group.**

G. Crean highlighted the progress which has been made, in the promotion of the TRL level, on the advancement of combined funding opportunities, and on IPCEIs which represent a great opportunity. G. Crean also welcomed the upcoming publication of the guidelines on synergies between ESIF, Horizon 2020 and other innovation related Union programmes.

G. Crean stressed the importance on moving quickly forward as regards the dual use potential of KETs, regarding the recent statement of the European Parliament on this matter (21<sup>st</sup> November 2013 resolution). KETs dual uses represent a big opportunity for Europe's industry.

**2. Presentation and follow-up on the outcomes of the European Council on industrial competitiveness by Mr. Michel Catinat, Head of Unit Key Enabling Technologies and Digital Economy, DG ENTR:**

M. Catinat referred to the 20<sup>th</sup>- 21<sup>st</sup> March European Council, whose conclusions are a clear success for the promotion of Key Enabling Technologies. In paragraph 12, the European Council recalls that Key Enabling Technologies (KETs) are of crucial importance for industrial competitiveness. Concerning the deployment of KETs, additional efforts are required.

M. Catinat highlighted the following issues:

1) The HLG has to work on the definition of next priorities.

2) IPCEIs ('projects of European interest') are one of the tools that industry can decide to use or not. Batteries for electro-mobility, intelligent materials, high performance production and industrial bioprocesses are mentioned in the Council Conclusions and can be potential candidates for IPCEIs. DG ENTR's priority will be to ensure the follow-up of the forthcoming HLG Report, in the perspective of the March 2015 European Council.

Further information needs to be provided on the industrial deployment of KETs as IPCEIs: the identified four domains are broad. The HLG should help identifying EU's assets in terms of actors along value chains. In terms of work methodology, M. Catinat stressed that the HLG contributions should go beyond regular recommendations and have to play a 'catalytic role'.

3) SMEs in the KETs Strategy: how to streamline the support of SMEs access to technological platforms is also a future priority. Are there gaps in the scope of services provided to SMEs? Is there a geographical issue?

4) Skills: an important workshop on 'KETs Skills' will be held in Brussels on June 10<sup>th</sup> 2014, in line with the European Council expectations to work on skills issues. As a matter of fact, the expected KIC on advanced manufacturing (2016) will not be sufficient to tackle the European KETs skills shortage. Educational systems still need to be improved and adapted, notably in multidisciplinary skills and competences.

M. Catinat stressed that the HLG has to launch a process for the next European Commission, through a concrete Report with clear and feasible recommendations implementing the actions decided at the Council level.

On the HLG working method, M. Catinat stressed the importance of having the next report on time. He therefore suggested to plan ahead the HLG work. The first draft Report of the HLG should ideally be available already before summer 2014.

Sherpa group members stressed that the HLG should look again at the way to connect KETs with societal challenges, and that much was still to be done to shape 'KETs skills' matching with pilot lines. In the case of a cross-KETs project, how can we define the required cross-KETs skills? Besides, the lack of confidence in public opinion has to be addressed (e.g. increase investor and public confidence in nanotechnologies).

It was concluded that the HLG will start working on a paper that will follow-up on the Council conclusions.

### **3. Presentation "KETs: how to leverage Dual-Use potential", by Gabriel Crean.**

G. Crean mentioned the Commission Communication *Towards a more competitive and efficient defence and security sector* (24.7.2013)<sup>1</sup> asserting that KETs can trigger innovation not only for civil applications, but also have a dual-use potential. Civilian and defence research could reinforce each other, including in Key Enabling Technologies and on energy efficiency technology.

G. Crean emphasized that the European Council on December 2013 welcomed the Commission's intention to evaluate how the results under Horizon 2020 could also benefit defence and security industrial capabilities.

G. Crean mentioned the 21<sup>st</sup> November 2013 resolution of the European Parliament on the *European Defence Technological and Industrial Base (EDITB<sup>2</sup>)*.

G. Crean proposed that the HLG works with the European Commission (and other institutions such as EDA) to prepare an implementation plan to improve the security of supply in the area of KETs and dual-use applications. This initiative should aim to promote the deployment of dual use KETs components in Europe across key industrial value chains including civilian and defence sectors. M. Crean stressed that the focus should be on technologies and not on final products. G. Crean proposed to set up a new HLG-KET Working Group on accelerating dual-use potential of KETs which was accepted by the Sherpa Group.

### **4. Presentation on operational implementation of combining funding from H2020 and ESIF for Research and Innovation Projects (Luuk Borg, DG CONNECT):**

L. Borg explained the concept of combined funding and the basic budgetary principles ("non substitution" and "no double funding" principles).

Combining Horizon 2020 and ESIF for industrial projects requires strict cost accounting practices at the end beneficiary level, and the identification of cost items packages for submission under either of the funds. The budget structure should allow to identify for the ESIF part where the activity will be carried out / for who's benefit it is (necessary condition for ESIF funding).

G. Crean saw the combined funding that was presented as a way to promote the implementation of IPCEIs. G. Crean also stressed the importance of explaining ERDF and H2020 evaluators the need to look at projects as a whole.

### **5. Presentation of RO-cKETs and Multi KETs Pilot Lines Conference, by Gavino Murgia – Deputy Head of Unit E4, DG ENTR:**

G. Murgia explained that RO-cKETs will develop a roadmap that will provide input to the preparation of the cross-cutting KETs part of Horizon 2020. Its objective is to identify opportunities for cross-fertilization between KETs for developing innovative and competitive products, processes and services.

As regards the multi-KETs pilot line project, G. Murgia highlighted some preliminary findings, notably on the need for policy support, the attention needed to product, manufacturing, market interaction and organisational development, the SMEs need for specific support, timing aspect which is critical for support actions.

### **6- Status of IPCEI projects:**

Sherpa Group members presented concrete examples of potential Important Projects of Common European Interest (IPCEI): energy storage for electromobility, smart structures, high performance production and industrial bioprocesses.

M. Catinat stressed the necessity for industry to identify core actors and to take the lead to promote IPCEIs. He also raised the following issue: how and at what stage do Member States have to be involved? Finally, M. Catinat called for clarity on how involving PPPs.

G. Crean proposed to organize a meeting with all relevant PPPs, to get a 'core industry group' and start the discussion with Member States.

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<sup>1</sup> "Within Horizon 2020, the areas of "Leadership in Enabling and Industrial Technologies" including the "Key Enabling Technologies" (KETs) and "Secure Societies" (Societal Challenge), offer prospects of technological advances that can trigger innovation not only for civil applications, but also have a dual-use potential."

<sup>2</sup> An EDTIB is an "organisation of infrastructure, institutions and ideas that convert state resources into the means of warfare. The increasing influence of dual-use industries and products has been identified as one of the five factors affecting the global picture of defence industry and driving major changes of its activities and processes".