A renewed agenda for Research and Innovation

Europe’s chance to shape its future

The Commission’s Contribution to the Leaders’ Agenda

#FutureOfEurope #EURoad2Sibiu

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Investing in research and innovation is investing in Europe’s future.

It helps us to compete globally and preserve our unique social model. It improves the daily lives of millions of people here in Europe and around the world, helping to solve some of our biggest societal and generational challenges.

Europe has world-class research and strong industries

- **7%** of the world’s population
- **20%** of global Research and Innovation investment
- **1/3** of all high-quality scientific publications
- **World leading** position in industrial sectors such as pharmaceuticals, chemicals, mechanical engineering and fashion.

We must do better at turning excellence into success

- **EU companies spend less on innovation** than their competitors
- **The EU is home to only 26 “Unicorn start-ups”** (start-ups valued at over $1 billion) compared to 109 in the US and 59 in China
- **The overall amount of venture capital and the average size of funds in Europe** is too small to allow our start-ups to become big companies
- **Research & Development intensity is still uneven among EU regions**
- **40%** of the workforce in Europe needs digital upskilling
INNOVATION-FRIENDLY REGULATION AND FINANCING

What is the EU doing?

**Ensuring essential public investment**
EU funding encourages cooperation between research teams across countries and disciplines, supporting them to make breakthrough discoveries. It allows the EU to deliver on priorities essential for citizens such as the Paris Agreement on climate change.

**Supporting Member States’ efforts to maximise R&I spending**
The EU Framework Programmes’s Policy Support Facility offers Member States practical support to design, implement and evaluate reforms that enhance the quality of their research and innovation investments, policies and systems.

**Stimulating private investment**
The EU is mobilising much-needed private investment through flagship initiatives such as **InvestEU** (the so-called Juncker Plan) and **VentureEU**, specifically aimed at boosting venture capital investment in innovative start-up and scale-up companies across Europe.

**Ensuring that regulation provides the right conditions for innovation**
EU regulation across policy areas is becoming simpler, more predictable, and more conducive to innovation, be it in the field of taxation, intellectual property or insolvency law. The European Commission partners up with national and regional authorities as well as innovators to help overcome perceived regulatory barriers to innovation.

**Supporting innovation procurement**
The Commission Guidance on innovation procurement aims at helping public authorities across the EU to procure innovative products and services and support disruptive innovation.

What else needs to be done?

- **Swiftly adopt the EU long-term budget for 2021-2027**, including the proposed increase in investment in research and innovation with €100 billion for Horizon Europe and Euratom research and training programme.

- **Roll out VentureEU** to stimulate venture capital investment in start-ups.

- **Transpose the Directive on insolvency law** quickly into national law to increase the efficiency of restructuring, insolvency and discharge procedures.

- The Commission will further **simplify EU State aid rules** to facilitate public funding of innovative projects including blending of EU and national funds.

- **Reinforce smart specialisation strategies** so that Europe’s regions benefit from innovation using European Structural and Investment Funds.

Source: European Commission

Note: Compared to the Multiannual Financial Framework 2014-2020 at EU-27 (estimate)

Investing in the future

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- Digital Europe Programme & Connecting Europe Facility - Digital
- International Thermonuclear Experimental Reactor (ITER)
- Euratom Research and Training Programme
- Innovation Window InvestEU Fund
- Horizon Europe
BECOME FRONTRUNNER IN MARKET-CREATING INNOVATION

What is the EU doing?

Funding world class research through the European Research Council and the Marie Skłodowska-Curie fellowships and exchanges.

Partnering with industry to improve products and services in aeronautics, pharma, renewable energy, bio-based industries, digital and advanced manufacturing.

What else needs to be done?

Roll out a full-scale European Innovation Council to offer a one-stop shop for high potential and breakthrough technologies and innovative companies. Building on the €2.7 billion pilot phase in 2018-2020 and complementing the European Institute of Innovation and Technology (EIT), the European Innovation Council will help identify and scale up fast-moving, high-risk innovations with strong potential to create entirely new markets.

Introduce an Open Science label that rewards entrepreneurial European Universities. This will help equip the next generation with the digital and innovation skills that Europe needs.

SET EU-WIDE RESEARCH AND INNOVATION MISSIONS

What is the EU doing?

European support for research and innovation helps the EU deliver on its priorities, and enables major discoveries, helping to make the every daily life of citizens easier.

Thanks to EU funding, new planets have been discovered and hydrogen fuel cell powered buses are being tested in our cities.

Major advances have been made on cancer treatment and 1.6 million Ebola vaccine doses have been developed.

A new battery 100 times more powerful than an ordinary one has been developed.

What else needs to be done?

Set EU-wide missions with ambitious, measurable and time-bound goals around issues that worry us daily. They would be defined in close cooperation with Member States, stakeholders and citizens. They could range from the fight against cancer, to clean transport or plastic-free oceans. Missions will encourage investment and participation across sectors and scientific disciplines to jointly crack a challenge. They should create synergies with research and innovation strategies at Member State, regional and local level.