

EUROHORCs Comments on the Innovation Union Flagship Initiative

EUROHORCs warmly welcomes the publication of the Communication on the Innovation Union. At a national level we have become very aware of the need to connect the research funding in our charge to beneficial socio-economic outcomes. This EC perspective on the question will add momentum to this process. We **place our comments on this document in conjunction with our recent reflection paper on the future of EU Research and Innovation**. In that document we stressed our very strong support for the ERC, complementing the efforts of national funding organisations, the need for the completion of the ESFRI process, the timeliness of an increased focus on career opportunities for young researchers and the removal of barriers to mobility, the need for improved framework conditions and the necessity to engage all researchers in Europe through an active cohesion policy.

The Innovation Union document makes clear links between the above components and the desired outcome through greater innovation. The excellent frontier research supported mainly by national research funding and performing organisations and by the ERC will inevitably give rise to new opportunities for innovation. At the national level European nations are recognising the importance of increasing the impact from excellent research and there is a need to bring these efforts together at the European level, The increased manpower that will arise from a more science based economy requires the engagement of all young researchers, greater mobility and the stimulation of the imagination of early stage researchers through a focus on societal challenges. The innovation agenda will not be achieved if there are no improvements in the framework conditions and infrastructure. All of these components are well highlighted in the Commission's document and **we applaud the integrated approach** which arises from this.

While we agree with the analysis that underpins the Commission document, there are some aspects that, nonetheless, merit comment. Perhaps the most profound sentiment that was felt was an omission throughout the document to formally embrace the **potential of much tighter co-operation between the EU programmes and those of the Research Councils**. Generally, Research Councils in Europe are at arms length from the Ministries that provide the funding for their operation. Therefore, the practical knowledge required to deliver on the European Research Area resides predominantly within the Research Councils. The presented document takes a stance which is very centred on the Commission's activities - yet over 90% of Europe's public support for quality research is provided at the nation state level. We believe that both the programme and its delivery has a much greater prospect of success if it is tightly linked and engages the national Research organisations as **genuine partners** in the process. This is not to diminish the importance of the Ministerial representatives of the

various bodies, nor the important role of the programmes that are designed and delivered by the Commission. It is merely pointing to a change of attitude that should be felt right through the system both in Brussels and in all of the national research organisations such that the Innovation Union and the ERA can be delivered. We reiterate our strong commitment to engaging in this process and believe that it will be beneficial to all parties.

We recognize that this document contains the seeds for many essential and important developments that can and should indeed be delivered by the Commission. At this stage, it is not surprising that some of the recommendations and contents are lacking in detail. We hope that we will have an opportunity to be helpful in the process of implementing the Innovation Union. Examples of this are (a) the need to tackle fragmentation and obtain better linking of the national research and innovation systems (recommendation 2 in the Executive Summary), (b) the steps towards changing the educational and, through it, the research systems (recommendation 3), (c) the multiple steps required to accelerate research development and market deployment of innovations through the new European innovation partnerships (recommendation 8) and (d) the development of better working relationships with international partners (recommendation 10 of the Executive Summary). In these and many other areas, further work will be required and ideally that should engage the national research funders and performers.

We welcome the emphasis on the need to train an adequate number of researchers to meet national R&D targets. Further **we see a direct linkage between this and the continued requirement for adequate investment at a national level by the member states**. It would be helpful if a subsequent document defined principles for responsibilities not only at the EC but also at the national level.

In other sections we feel that the **evolution of research funding patterns in the national Research Councils should be highlighted**. They could be used as an example to indicate where greater effort would be beneficial. In particular, we are thinking of the Lead Agency initiatives and Money follows Researchers projects that are being championed by EUROHORCs. Both of these are very practical applications of processes which are required for the Innovation Union.

As research funders and performers, our daily business means that we experience at close range the interplay between research and industry. As we put in place various measures to stimulate this necessary development, we have learned how this process can be improved and the various bottlenecks that are associated with the development of new innovative businesses. **We recognize and applaud the many approaches that are outlined to streamline venture capital and seed funding and to deal with the practical complexities of IP agreements**. The lessons that are learned from this at European level should provide a guide to approaches that are applied in the national context.

In our national programmes we have already initiated the process of defining and supporting programmes that will have benefits for society as well as create knowledge and have an impact on

enterprise. Some of these constitute the basis of the initial Joint Programming Initiatives. Our reading of the Innovation Partnership section of the document is indeed very positive and as laid out in the document could be a powerful force for change, though there will be need to work closely with all players in the implementation of these initiatives. We are not clear, for example, on how this will link with other programmes and, in particular, the Joint Programming Initiative. An over-view on how this will work would be useful at the highest level of analysis. Experience gained independently and through past multilateral EC initiatives means that we can make progress on these issues without the need for administratively complex instruments and the impression that the Innovation Partnerships will indeed not be new instruments is welcome. **However, clarity regarding the processes that will give rise to a selection of themes and sub themes will also be required and this is another place where EUROHORCs can play a very constructive role.** Indeed, we note that combining EU, national and regional efforts in R&D is recognised and required to achieve targets quicker and more efficiently. We anticipate and expect that the consequences of that analysis will be acted upon collectively.

The Innovation Union document makes reference to the need to take a more strategic approach to engaging partners outside of Europe, and this is also an issue raised in the interim review of FP7. Objective 22 explicitly mentions common EU/MS priorities as a basis for co-ordinated positions/joint initiatives regarding third countries. We applaud the desire to open European research up to the world, building on a solid understanding of the different drivers for bilateral and multilateral engagement and a greater appreciation of where EU-third country interaction, particularly through the Framework Programme can add value to existing relationships. Grand Challenge programmes in Europe should also include consideration of the need to bring in partners outside of Europe in their strategic agendas and efforts should be made to embed international collaboration into new activities rather than developing standalone initiatives.

As a final general point we would like to record our appreciation of the need for better data, better criteria for comparison of outputs and a stronger use of scientific input in decision-making. All of these are required to stimulate the different regions of the ERA and to achieve the goals that are set out in this document.

In summary, EUROHORCs welcomes the delivery of this document and finds it very easy to align with the outlined aspirations. We are hoping it will form the basis for a **greater collective effort** with the aim of achieving the goals of this flagship.

3 December 2010