

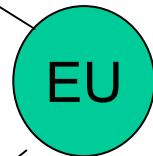
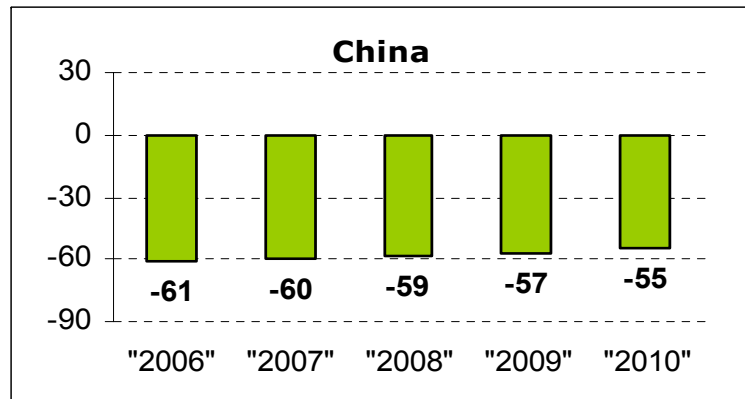
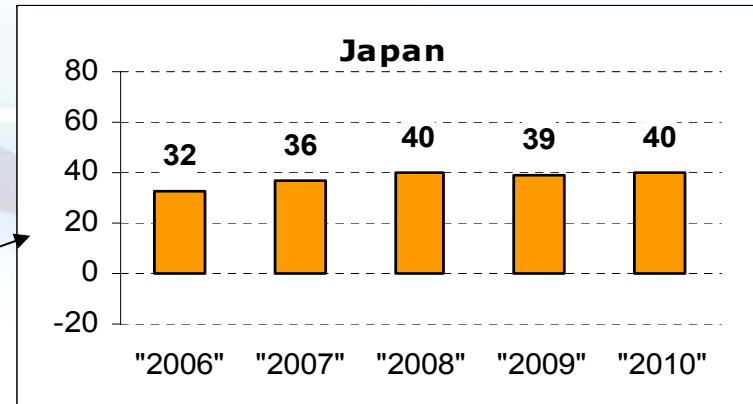
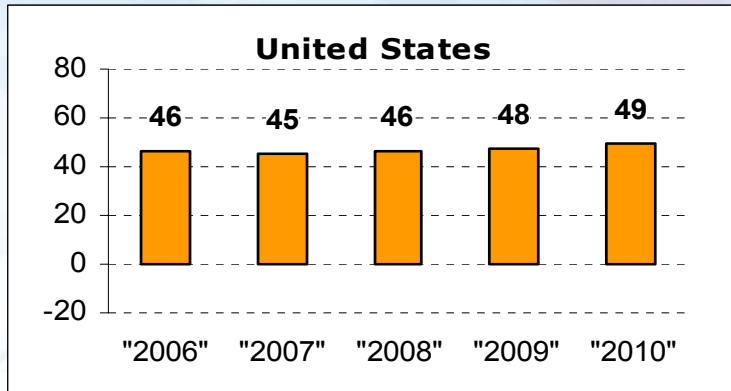
Towards a Common Strategic Framework for EU Research and Innovation Funding



**EUROPEAN
COMMISSION**

**EU - BUILDING AN
INNOVATION UNION**

Innovation gap with US and Japan, emerging countries catching up



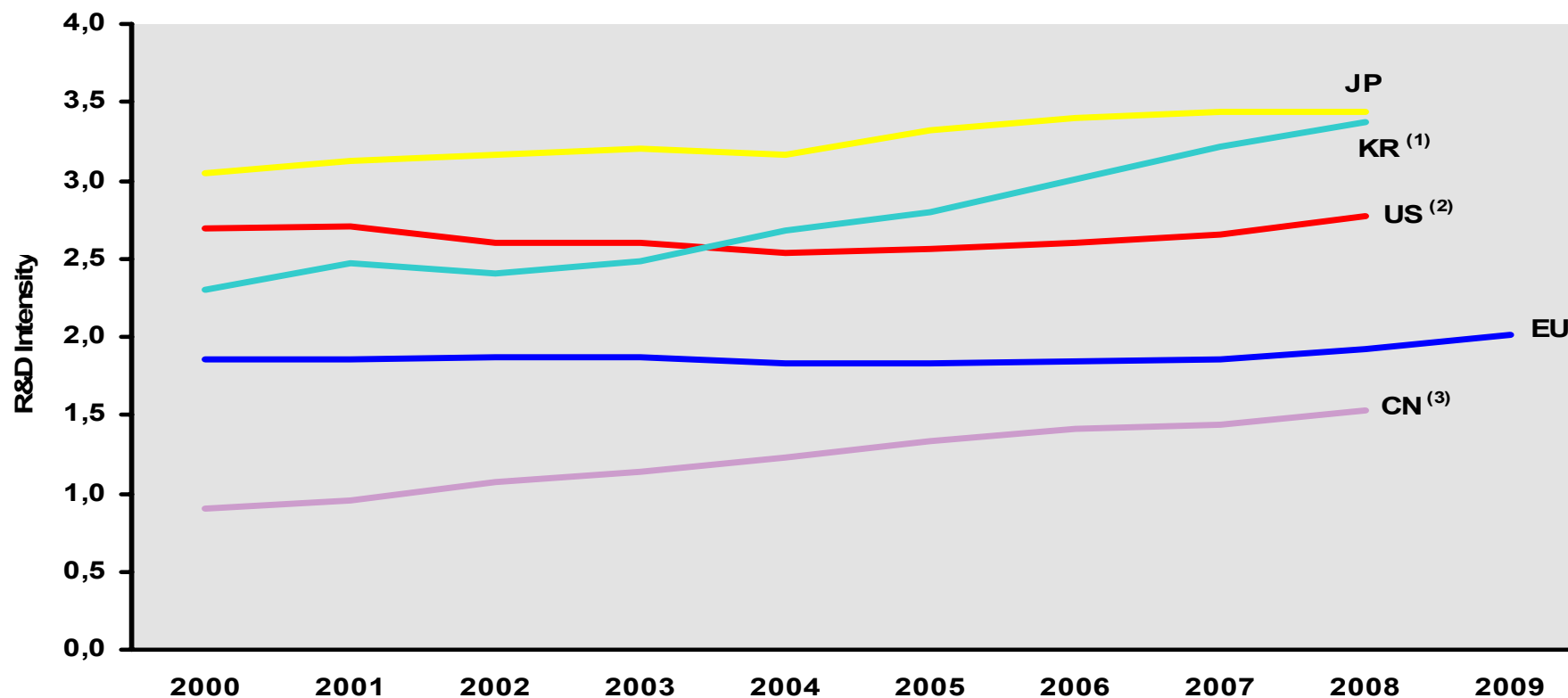
Percentage gaps between EU performance (0) and other countries across 12 indicators. Other countries, such as India and Brazil, are developing fast.

Source: 2010 Innovation Union Scoreboard



EU R&D investment is lagging behind our main competitors

Evolution of R&D Intensity, 2000-2009



Europe 2020 strategy

- Objectives of **smart, sustainable** and **inclusive growth**
- Headline targets, including **3% of GDP** invested in R&D
- 7 flagship initiatives:
 - **Innovation Union**
 - Digital Agenda for Europe
 - Resource Efficient Europe
 - Industrial policy for the globalisation era
 - Youth on the move
 - An agenda for new skills and jobs
 - European platform against poverty
- Endorsed by **European Council**



Innovation Union

- A **strategic** and **integrated approach** to research and innovation
 - Innovation is overarching policy objective driving all other policies
 - Innovation policy is steered and monitored at the highest level
- Radically improving **framework conditions** and reduce time-to-market
- Prioritising resources around **major challenges**, e.g. through EIPs
- Fully exploiting **non-technological innovation**
- Endorsed by February **European Council** (Heads of State) as key to future growth and jobs



European Innovation Partnerships

- Tackle **societal challenges** whilst creating new business opportunities for EU industry
- Set **concrete targets** behind which policy makers and the public can rally
- **Join up all key players** from research, business to end users and **remove bottlenecks** stopping good ideas from being translated into innovative products and services
- Pilot partnership on **Active and Healthy Aging**
- Other partnerships under consideration



EU Budget Review

- **EU Budget** = key tool for implementing Europe 2020 and Innovation Union
- Budget Review: **key principles for future budget**
 - Close alignment with **Europe 2020 priorities**;
 - Stronger **EU added value**;
 - Clearer focus on **results and impact (innovation!)**;
 - **Leveraging** other sources of funding
- *‘Full range of research and innovation instruments should work together in a **Common Strategic Framework**’*



Why a Common Strategic Framework?

Benefits of EU research and innovation funding

- Enable cross-border **pooling** of resources to achieve **critical mass** and **diffusion of knowledge**
- Promote **competition** in research and innovation, thereby raising levels of **excellence**
- Offers a wide range of **training possibilities**
- Provides a way to deal with **pan-European policy challenges**
- Raises the **international attractiveness** of EU research and innovation
- Act as a **catalyser** and for development of **common solutions**
- Financial instruments with **high leverage**



Why a Common Strategic Framework?

But also shortcomings...

- **Complexity** - too many instruments and funding mechanisms, complex landscape
- **Further simplification**- less variation in rules, simpler audits and controls, avoid duplicate information
- **Better strategy for innovation** – involve users, how to commercialise results, generate impacts
- **Need to focus resources** – with critical mass to address the grand challenges
- **Broaden participation** – industry, SMEs, new Member States, women, new innovation actors
- **Clearer agendas** - driven by scientific, industrial, social objectives



Common Strategic Framework

- **Major improvements to EU research and innovation funding for post 2013 period**
- **Scope:**
 - The **Framework Programme** for research, technological development and demonstration (currently FP7, €53 billion 2007-2013)
 - The **Competitiveness and Innovation Framework Programme (CIP)** (€3.6 billion 2007-2013)
 - The **European Institute for Innovation and Technology (EIT)** (€309 million 2007-2013)
- **Strengthening complementarities with the Structural Funds** (€86 billion)
- **Coherent set of funding instruments** along the whole innovation chain
- **Basis for far reaching simplification** of rules and procedures



CSF will increase IMPACT

- **FROM** different priorities in each programme and initiative
 - **TO common strategic priorities**, focusing on societal challenges, competitiveness and research excellence.
- **FROM** gaps between the stages (R&D, demonstration, market take up, etc)
 - **TO coherent support** for projects and organisations across the innovation cycle **from research to retail**
- **FROM** difficult translation of research results into products/services
 - **TO stronger support for innovation**, including non-technological innovation and market take up



CSF is basis for SIMPLIFICATION

- **FROM** different rules in each programme and initiative
 - **TO more standardised rules** across all initiatives – which meet the different needs and with flexibility where needed (e.g. for the EIT)
- **FROM** a large variety of funding schemes within and between programmes
 - **TO a rationalised toolkit** of schemes across the Common Strategic Framework
- **FROM** multiple websites, guidance documents, applications
 - **TO common entry points**, one stop shops, common IT platforms



Ongoing work on simplification

- *April 2010:* Communication on Simplifying the Implementation of the Framework Programmes
- *January 2011:* Commission Decision on **three simplification measures:**
 - more generalised acceptance of usual accounting practices for average personnel costs;
 - Flat-rate payments for SME owners;
 - FP7 clearing committee
- Revision of **Financial Regulation** offers further possibilities for simplification
 - ➔ support from Council and EP needed!



Green Paper on CSF

- Seeking **stakeholders' views** on key issues and questions regarding the Common Strategic Framework
- Consultation until **20 May 2011**
- Feeding into Commission's formal proposals for CSF
- **4 blocks of questions:**
 - *Delivering on Europe 2020*: level of ambition of CSF, simplification, links to other sources of funding;
 - *Tackling societal challenges*;
 - *Strengthening competitiveness*;
 - *Strengthening the science base and the European Research Area*.
- **Stakeholders urged to organise their own consultations and present their views!**



Calendar

- 6 October 2010: Innovation Union
- 19 October 2010: EU Budget Review
- 9 February 2011: Green Paper on CSF
- Feb-20 May 2011: consultation
- 10 June 2011: wrap-up conference
- End June 2011: Commission MFF proposals
- December 2011: Commission CSF proposals



Thank you for your attention

Find out more and participate in the debate at:

<http://www.ec.europa.eu/research/csfri/>



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