



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

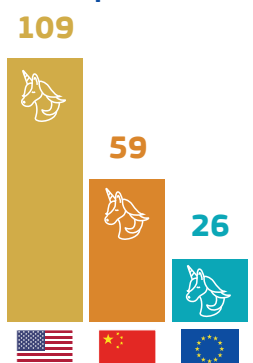
- **7%** of the world's population
- **20%** of global Research and Innovation investment
- **1/3** of all high-quality scientific publications
- **World leading** position in industrial sectors such as pharmaceuticals, chemicals, mechanical engineering and fashion.



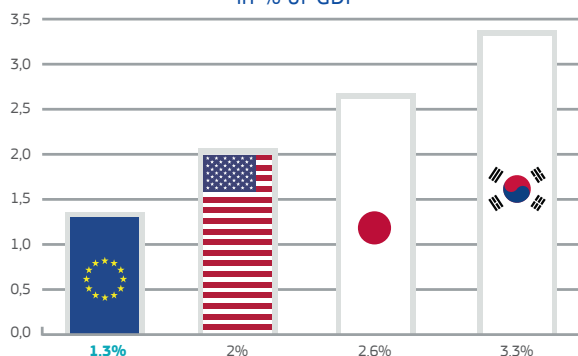
We must do better at turning excellence into success

- **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**

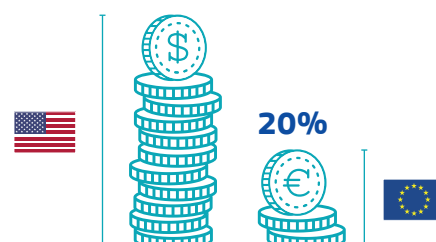
Number of Unicorn start-ups



Business R&D investment in % of GDP



Venture capital



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.



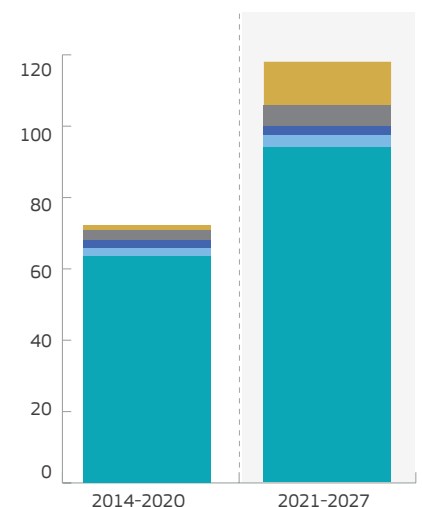
Supporting innovation procurement

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.

Investing in the future
in billion euros



Source: European Commission

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

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.

European Research Council:

With a total budget of over **€ 13.1 billion** for 2014-2020, the ERC has helped to drive scientific excellence in frontier research and attract some of the best talent to Europe

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.

European Innovation Council:

A one stop shop to:

- Bring the most promising ideas from lab to real world application
- Support the most innovative startups and companies to scaleup their ideas

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.