



STATEMENT

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Ladies and Gentlemen,

I am delighted to be here with you today to talk about the "Europe 2020" Strategy, the role of the bio-economy as well as the upcoming opportunities for the Life Science Universities in the context of the new European Framework Programme for research and innovation – the Horizon 2020. In the first part of my presentation I shall address the broader policy context of the updated EU 2020 strategy. In the second part I will focus on the latest developments related to life sciences and what this could mean for your institutions.

When the Europe 2020 strategy was shaped, Europe suffered the worst financial and economic crisis since World War II. But Europe 2020, the European Union's ten-year growth and jobs strategy launched in 2010, is about more than just overcoming the crisis. It is also about addressing the shortcomings of our growth model and creating the conditions for smart, sustainable and inclusive growth, ultimately delivering high levels of employment, productivity and social cohesion. As a consequence of the failure of the Lisbon strategy, mainly because of the lack of willingness the Member States to engage, the Europe 2020 strategy is monitored in the context of the European Semester, the yearly cycle of coordination of economic and budgetary policies. Each year, the Commission undertakes a detailed analysis of EU Member States' plans of budgetary, macroeconomic and structural reforms and provides them with recommendations for the next 12-18 months.

But as the new Juncker Commission was confirmed yesterday by the EP, I thought I should a little bit deviate from the agenda and inform you about the new focus of the Juncker Commission.

On 15 July Mr Juncker, the President-elect of the European Commission presented his Political Guidelines to the European Parliament. He set out a new Agenda for Jobs, Growth, Fairness and Democratic Change, focused on ten priorities of which many are based on the Europe 2020 strategy. These priorities are somewhat akin to a political contract that marks the beginning of the new mandate of the new Commission meant to deliver concrete results. Clearly the European Commission cannot and should not do everything: but the coordinated European approach should overcome the silo mentalities by working jointly on those challenges where we can really make a difference.

Let me briefly highlight the main areas of President-elect's political agenda where research and innovation can make the biggest difference for our future.

The first priority will be to give a new boost for jobs, growth and investment to strengthen Europe's competitiveness and to stimulate investment for the purpose of job creation. Much better use can be made of the common EU budget including the 80 billion EUR of the Horizon 2020, the Structural funds and of the funding by the European Investment Bank (EIB). This should allow us to mobilise up to € 300 billion in public and private investment in the real economy over the next years for strategic infrastructure, education, research and innovation; and renewable energy and energy efficiency. But regarding the 80 billion, I have to inform you that Finance Ministers want to cut the annual budget of H2020. It is absurd that agriculture should be kept untouched but research cut. I invite you to raise your voice to oppose this because it brings our future into danger. I admit this is a difficult exercise for researchers, not being familiar to stand at the marketplace, but it is imperative today.

Secondly, a better use must be made of the great opportunities offered by digital technologies. To do so, we will need to have the courage to break down national silos in telecoms, copyright and data protection legislation regulation. By creating a connected digital single market up to € 250 billion of additional growth in Europe is expected to be generated in Europe during next 5 years.

Thirdly, we also need to reform Europe's energy policy into a new European Energy Union to reduce Europe's dependence from current supply channels and seek for alternatives. In this respect, increasing the share of renewable energies is a clear priority not only as a matter of a responsible climate change policy. We also need to significantly enhance energy efficiency beyond the 2020 objective, notably when it comes to buildings if we want to become less energy dependent and if we want to combat global warming.

Fourthly, a deeper and fairer internal market with a strengthened industrial base should be created since growth in Europe cannot be built on the basis of services alone. We need to bring industry's weight in the EU's GDP back to 20% by 2020, from less than 16% today. This should ensure that Europe maintains its global leadership in strategic sectors with high-value jobs such as the automotive, aeronautics, engineering, space, chemicals and pharmaceutical industries. To achieve this, we need to stimulate investment in new technologies, improve the business environment, ease access to markets and to finance.

Allow me to share with you what the new political contract expects from Research and Innovation as life sciences are all linked with these new priorities.

Also thanks to you personally, the EU has a strong research base and a vibrant scientific community. But against the background mentioned, research will have to contribute to job creation, growth and investment. As President Juncker stated yesterday in his speech before the Commission approval vote, "Citizens are losing faith (towards Europe), extremists on the left and right are nipping at our heels." The research sector can't ignore this and in particular not the high unemployment rate of our young people. There is much more in danger than the EU if we don't solve this problem and the research sector has to contribute to this.

Promoting the international excellence of the EU's research and science and strengthening research capacities and innovation strategies across all Member States is another challenge. The Commission's partnership with the Member States in this context is fundamental. In this context, we are much concerned that more and more Member States are cutting their own research budgets and pointing their research institutions towards H2020. This is dangerous: we shouldn't accept that we in the research sector end like we are today with infrastructures where in many Member States structural investments are done only with EU money. This would bring not only our excellence in danger. It would bring the future of these Member States in danger!

Moreover, and this will surely affect research and innovation in the life sciences, Mr Juncker's points out that in order to be prepared for the global challenges ahead, be it with regard to the digital age, the race for innovation and skills, the scarcity of natural resources, the safety of our food, the cost of energy, the impact of climate change, the ageing of our population or the pain and poverty at Europe's external borders, Europe should promote public and private investment in the real economy over the next years. Life sciences are at the heart of these challenges.

Like a growing world population, climate change, increasing demand for raw materials and depleting oil reserves, global health challenges, is being solicited as never before. This will require relying more

on renewable biological resources from land and sea and delivering bio-based products and services sustainably. And this means searching for technological solutions to do "more with less".

Creating the right conditions to support research for technological development and innovation was clearly noticeable in the first calls of Societal Challenges 2, Food security, sustainable agriculture and forestry, marine and maritime and inland water research, and Societal Challenge 1, Health, demographic change and well-being. You have ascertained that many a topic aimed at improved resource efficient and sustainable use of biological resources or at personalising health and care. My colleague, Alan Cross, will share his views on the results of the first calls and determinants of success in proposal evaluations. My advice to well experienced researchers and institutions is to continue to take part in the calls of these two Societal Challenges and other parts of the programme, like the Leadership in Enabling and Industrial Technologies programme (LEIT) which includes support to biotechnologies, and "to learn and improve by doing".

Participating in Horizon 2020 is for sure important as it allows research entities to strengthen their collaborative research links with partners all over Europe. However, there is also the opportunity to help shape the overall structure of the bio-economy research area and to halt duplication across the European Research Area. ERA-NET's have proven their usefulness. In addition there are European Technology Platforms, led by the EU industry and Joint Programming Initiatives (JPIs) such as the Agriculture, Food Security and Climate Change (FACCE), Healthy Diet for a Healthy Life (HDHL), Neurodegenerative Diseases, including Alzheimer's (ND) and Antimicrobial Resistance (AMR). Both European Technology Platforms and Joint Programming Initiatives are very efficient ways to advance a truly European research and innovation agenda.

The objective of all these joint activities is to increase the value of relevant national and EU R&D funding by concerted and joint planning, implementation and evaluation of national research programmes.

And do not forget that there is COST, the programme for European Cooperation in Science and Technology, a mechanism for bottom-up, open networking that also looks at supporting networks for researchers/organisations not yet well integrated in the European collaborative research scene. In Horizon 2020, COST will play a mobilising role especially for enlargement and European neighbourhood policy countries.

Finally let me stress the importance of the European Innovation Partnerships (EIPs) and Public Private Partnerships (PPPs). Why Partnerships? Innovation is the only way to tackle the big challenges Europe faces today. However, these challenges are so large, and so pressing, that we urgently need to pool our efforts and expertise in research and innovation and to put in place the conditions that allow innovations to quickly find their way to market. Partnerships have three novel features:

- they are challenge-driven meaning that the societal challenge is the starting-point, rather than a particular technologies or research areas;
- secondly they act across the whole research and innovation ecosystem by stimulating R&D efforts, coordinating investments in demonstrators and pilots, anticipating and fast-tracking regulations and standards, and mobilising the demand side, especially public procurement;

- thirdly they build on, streamline and better coordinate existing tools and actions such as PPPs, joint programming, lead markets, and joint public procurement schemes, into a single, coherent policy framework.

"European Innovation Partnerships" (EIP) have thus been launched to test a new approach to focus EU research and innovation on solving societal challenges. Their aim is to speed up the development of innovative solutions to concrete problems directly linked to these challenges, and to exploit the new market opportunities that tackling these challenges offers. The European Innovation Partnership in the field of Active and Healthy Ageing was the first EIP created in 2011 after the European Commission had identified 'active and healthy' ageing as a major societal challenge common to all European countries. It aims at

- enabling EU citizens to lead healthy, active and independent lives while ageing;
- improving the sustainability and efficiency of social and health care systems;
- improving the competitiveness of the markets for innovative products and services, responding to the ageing challenge at both EU and global level, thus creating new opportunities for businesses.

This will be realized in the areas of prevention and health promotion, care and cure, and active and independent living of elderly people. The Partnership aims to achieve this by bringing together key stakeholders (end users, public authorities, industry); all actors in the innovation cycle, from research to adoption, along with those engaged in standardization and regulation with the objective to overcome potential innovations barriers and mobilize instruments.

Also important to you is the Agricultural Productivity and Sustainability EIP that has the ambition to foster a competitive and sustainable agriculture and forestry that achieves 'more from less' input and works in harmony with the environment. To achieve this aim, the EIP needs to build bridges between research and technology and stakeholders (farmers, businesses, NGOs and advisory services) as well as to enhance knowledge exchange between actors operating on the ground. Recognition of the need to bring advanced technology and innovation to the farm to enable continued competitiveness and growth also came from the CAP reform. During the CAP reform process, it was observed that the funding and facilities for effective knowledge and technology transfer and advice from the laboratory to farmers and other end-users across the EU had declined over recent years. This is a major concern and a possible threat to be addressed urgently.

European Innovation Partnerships are thus a tool that pools forces and interlinks different actions. As such, EIPs are not policy or funding instruments on their own.

Recently, there was the emergence of the Bio-Based Industries Joint Undertaking (BBI JU), a new Public-Private Partnership between the EU and the Bio-based Industries Consortium. Operating under Horizon 2020, it is driven by the Vision and a Strategic Innovation and Research Agenda (SIRA) developed by the industry. It is a major public and private effort and investment in bio-based innovation of which €975 million comes from EU funds and €2.7 billion from private investments. Additional private and public funds are expected of synergies with EU Structural Funds and leveraging capital markets. A strong European bio-based industrial sector will significantly reduce Europe's dependency on fossil-based products, help the EU meet climate change targets, diversify

and increase farmers' income and lead to greener and more environmentally friendly growth. The key is to develop new bio-refining technologies to sustainably transform renewable natural resources into bio-based products, materials and fuels. This nascent sector is expected to grow rapidly and create new markets and jobs, and is already attracting substantial investments in the US, China and Brazil.

The EU has the industrial, research and renewable resources potential. It is now a matter of deploying it in a sustainable manner to compete in the global bio-economy race. Its R&I focus is three-fold. As to feedstock it will foster a sustainable biomass supply with increased productivity and building new supply chains. Regarding bio-refineries, R&I aims at optimizing efficient processing through and demonstration of efficiency and economic viability of large-scale demo/flagship bio-refineries. A third focus is on markets, products and policies: markets and accompanying policy frameworks will be developed for bio-based products. I can only encourage you to seize the opportunities offered by this Joint Undertaking via its call for proposals, which is open to everybody as are the other JTIs.

Another major Joint Undertaking is the Innovative Medicine Initiative (IMI), launched under FP7 and renewed under H2020, that jointly funds research with the aim of accelerating the development of new medicines. The large industry invests own resources for its research and the EU matches this investment and pays the research of the other partners. IMI is the world-largest PPP in the health sector and has proven that the different actors from large industry, SMEs, academic researchers, regulators and patients can be brought together in open innovation networks. It was not an easy exercise and I see similar problems now emerging also in the BBI JU. But I'm sure the learning curve in BBI will run like in IMI1, finally producing the intended results.

I trust that you are persuaded that there will be no shortage of opportunities for your continued and committed participation in future research and policy initiatives undertaken at European level. Indeed, the involvement and participation of your research and innovation centres is critical in helping develop the innovative solutions so urgently needed to meet the societal challenges we are facing. I look forward to your active and fruitful collaboration under Horizon 2020.

Thank you !