

Community Innovation Policy – Review and Outlook

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Enterprise and Industry

Context:

- Recently published assessment (*) of Community innovation policy
- Council request (12/2008) for a European Innovation Plan
- Effects of the economic and financial crises
- New Commission, in January 2010 ?
- Lisbon Strategy for Growth and Jobs post -2010

(*) Commission's Communication "Reviewing Community innovation policy in a changing world" COM (2009) 442

On framework conditions:

- **More RTD & innovation-friendly state aid regime:** New guidelines and block exemption: young innovative enterprises.
- **IPR:** counterfeiting; trademarks; knowledge transfer.
- **Skills:** peer learning, funding; mobility of researchers: code of conduct for recruitment; university-industry forum.
- **Clusters:** policy developed (European Cluster Alliance, Observatory, Memorandum ...); **Services:** analysis and support; **Design:** consultation.

On supply side measures:

- **More EU innovation & RTD funding** available (€86 bn in Cohesion Policy Funds, FP7 budget increase, CIP financial instruments + market replication); more scope for synergies.
- **European Institute for Innovation and Technology** established
- **(5) Joint Technology Initiatives** launched
- **Joint initiatives of the Member States** supported (Art. 169): Eurostars (Eureka)
- **More comprehensive innovation support services** for enterprises: launch of the Enterprise Europe Network

On demand side measures:

- **Lead Market Initiative** launched in 2007: coordination of regulation, standardisation, labelling, public procurement and funding in 6 areas (e-health, renewable energies, sustainable construction, bio-based products, recycling, protective textiles)
- **Public procurement of innovative solutions:** guidelines
- **Standards** : more market-led approach, Europe INNOVA networks, expert panel

Room for improvement

Framework conditions

- IPR system in EU still **costly and fragmented**;
- Standardisation **not synchronised** with research/market needs
- Only first steps in broadening innovation policy

Supply side

- **Fragmented VC market**; low **equity** funding
- **Complex EU programme landscape** & need for simplification
- **Complementarity** with MS? **Critical mass** as regards support?

Demand side

- Improving links between **supply and demand** side
- Better take-up of LMI at **national level**

Some general conclusions:

- Assessment of current support policies is mixed
- Innovation is about exploiting research and about society (involving users, employees, public services)
- The Community level may be intervening too little in too many things
- Need to increase focus and policy coherence to support innovation at Community level, as well as with the national and regional levels

Some orientations for the future

- Broader approach to innovation, non-technological drivers, design
- Prioritisation of action by addressing societal challenges
- Strengthen demand-side instruments
- Public services as an engine for innovation
- Better use of financial instruments to support innovation
- Specific support to innovative SMEs with the highest potential

Next steps

- Public consultation (September-November)
- December 2009 Council Conclusions
- New Lisbon Growth and Jobs Strategy, spring 2010
- European Innovation Plan, 2010...