

## **Young Innovators (un)convention**

Panel: Innovation, Youth (un)Employment, Growth: European Innovation Policy, the Role of the European Parliament, the view from the Community; best practices from the US

European Parliament, 02-06-2012

Speech from Maria da Graça Carvalho

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President Schultz

Commissioner Geogegan-Quinn,

Ambassador Kennard,

Fellow speakers, ladies and gentlemen

It is a great honour to have been invited to speak before you today in the company of such an illustrious panel.

The main focus of our concern today is the relation between European leaders and young innovators with regard to the questions of growth and employment and the role that innovation and research can play in furthering these ends.

I am, currently, directly responsible for the report implementing Horizon 2020 and was, prior to that, the rapporteur for the Simplification Report. These themes are close to my heart, as a result, and, to begin with, I should like to make some comments on Horizon 2020 itself and on the need for simplification. I shall then go on to discuss some of our main priorities as we work to make Horizon 2020 as efficient and effective as possible. I shall finish by, briefly, outlining a number of recommendations.

### *Strengths and Weaknesses*

In so far as the new programme is concerned, Horizon 2020 will reinforce Europe's leading position in an environment in which Europe

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has lost ground in many areas. Achieving this, supposes accurately identifying the strengths that Europe possesses but also entails recognising and correcting Europe's weaknesses.

As for its strengths, Europe has world leading researchers, entrepreneurs and companies; a set of deeply embedded values and traditions, a dynamic culture of creativity and diversity and the largest internal market in the world. Finally, European civil society is actively engaged in emerging and developing economies across the globe.

However, at the same time, Europe has a number of weaknesses: under-investment in our knowledge base; unsatisfactory framework conditions (ranging from poor access to finance and the high costs of IPR to slow standardisation and ineffective use of public procurement); and finally, too much fragmentation alongside excessive bureaucracy and red tape.

The Commission proposal for Horizon 2020 draws on and builds upon work that has already been developed in Parliament in a number of reports and - it goes without saying - the task today is to preserve our strengths whilst seeking to overcome our weaknesses.

### *Simplification and Trust*

It is important as we move in this direction to ensure that we build simplification into the report. Einstein once said that you should make things as simple as possible but not simpler. Indeed, it is necessary to simplify the mechanisms involved in the Framework Programme for Research. Over the years, the programme has grown in scope both in

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terms of its applications and the size of its budget. The swelling number of applications for funding has been met with a parallel growth in control mechanisms in an attempt to ensure the proper use of EU funds. The unfortunate result is that it is increasingly difficult for companies and other organisations to find their way through a labyrinth of rules, sprawling procedures and ramifying red tape. This is particularly the case for smaller organisations – SMEs, high-tech start ups, and smaller institutes.

### *Recommendations*

With regard to the priorities we should set for the new programme, there are three, in particular, that I should like to stress. These are

\* Firstly, given the challenges that Europe is currently faced, with Horizon 2020 should be as well structured as possible and it should be equipped with an appropriate funding programme.

\*\* Secondly, innovation should be fostered from the earliest stages of the passage from concept to market. At the same time, the whole innovation cycle will be covered as this will lead to enhanced participation of European industry.

In this context, we shall do our utmost to ensure that the priorities of the programme are aligned with those companies and industrial sectors that are liable to contribute most directly and significantly to GDP. This

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is something that will reinforce Europe's position in the research and innovation and make up some of the ground that has been recently lost

In addition to these two priorities, H2020

\* should, of course, be designed in such a way as to have a direct impact on Employment and growth. One of the ways in which this can be achieved is through a culture of entrepreneurship. Europe is able to foster such a culture through such initiatives as EIT, the SME instruments, Innovation Vouchers and so on)

\* Rules of participation should be such that researchers who are not directly involved in the existing institutional structures find a role to play.

Thank you very much.