



European Ideas Network
Working Group on Innovation

'EU Innovation in a Changing World'

Wednesday, 30 January 2013
16.00h - 18.30h
European Parliament
Brussels

Investment in R&D and innovation today
will create growth and jobs for tomorrow!



Key messages

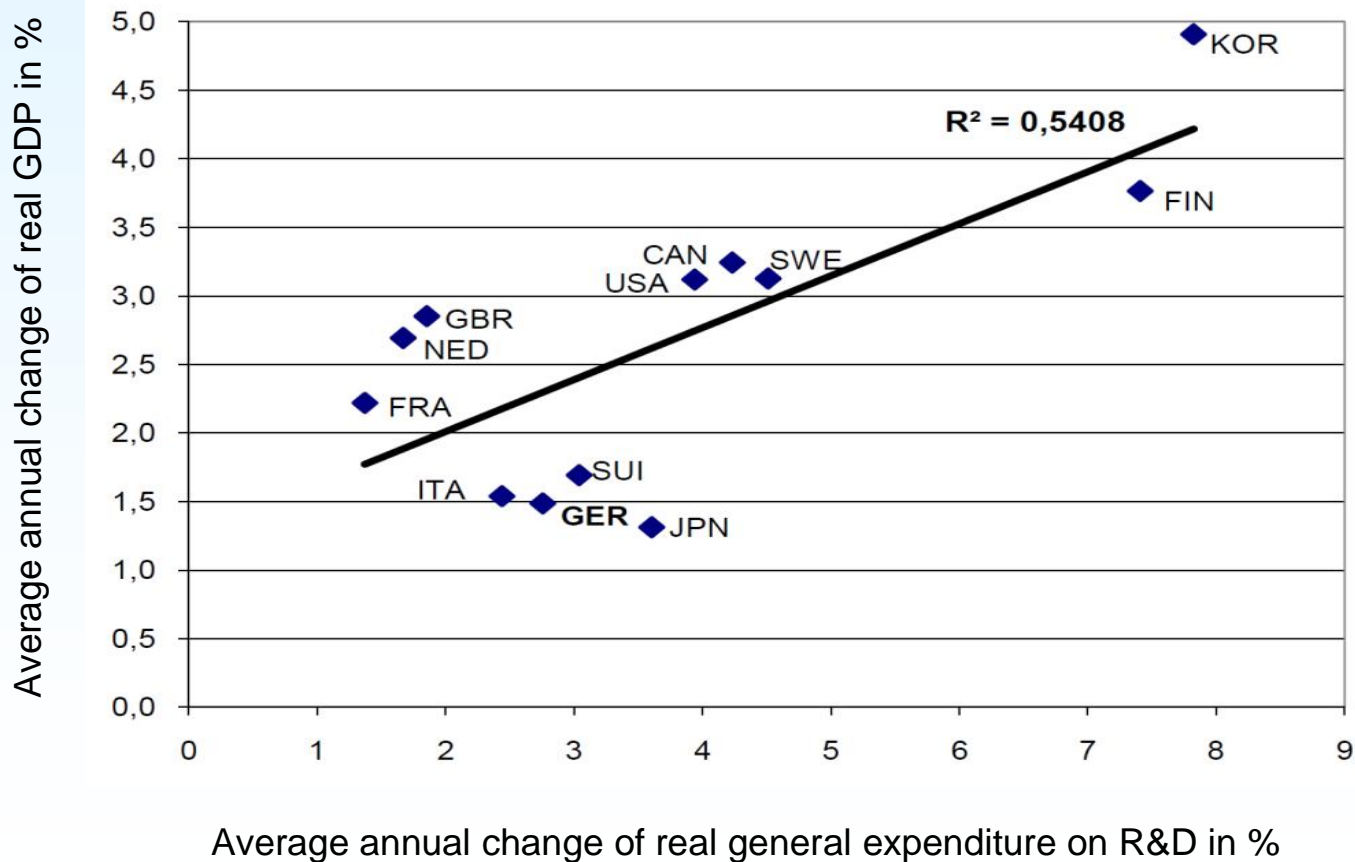
*“Achieving our target of spending 3% of EU GDP on R&D by 2020 could create 3.7 million **jobs and increase annual GDP** by close to €800 billion by 2025.”*

(European Commission, 2010)

- The implementation of the „**Europe 2020**“ **Strategy** remains crucial! **Horizon 2020** is a **powerful tool** for its implementation!
- **Promoting R&D activities** must be seen as one of the most **effective ways out of the crisis** and as an option to ensure economic growth afterwards!
- Statistics show **the higher the average R&D intensity of a country in the past, the faster its economic growth is today!**

R&D expenditures – a powerful economic driver

Link between R&D expenditures and economic growth
in major industrialized countries (G12) 1994 - 2006



Source: Dehio, Jochen; Engel, Dirk; Graskamp, Rainer (2006) : Forschung und Innovation: Wo steht Deutschland?, Wirtschaftsdienst, ISSN 0043-6275, Vol. 86, Iss. 8, pp. 517-523, doi:10.1007/s10273-006-0545-5, <http://hdl.handle.net/10419/42670>

Case study I

Public R&D investment in laser technologies in Germany

The German state has supported **development of laser technologies** with **over €600 m** since 1987 through the funding programme „Optical Technologies – Made in Germany“

In laser technology Germany is now among the leading countries in the world:

- **20% of world market share** in laser-material-processing (€1.2 bn)
- **3,000 publications** on laser technologies between 2007-2010
- more than **200 enterprises** working in laser technologies
- **employment rate increases** on average **by 3.5% per year** in the field of laser technologies

Case study II

The Canadian technology triangle and the University of Waterloo as a key driving factor

In Ontario, Canada, the **foundation of the University of Waterloo** in the 50s led to the **development of Canada's Technology Triangle** – today the most renowned economic success story of the country:

The region displays today:

- A highly successful economic cluster that brings together more than **450 technology companies**
- **GDP of C\$19.5 billion in 2010, with a 5.8% increase in 2009**
- 150 research institutes and **more than triple the provincial and national number of patents per million (2006)**

Case study III

Zentrales Innovationsprogramm Mittelstand (ZIM) Germany

In 2008 the German Federal Ministry of Economics and Technology launched the “Central Programme for Innovation in SMEs” as a technology-neutral economic development scheme for technology-oriented small and medium-sized companies.

The programme is showing encouraging results and is meant to take full effect within the next decade:

- **€1.3 bn** start-up funding released to R&D projects **created** an **additional private investment of €3.7 bn** (leverage factor: 2,8)
- up to **69,500 jobs** were secured or newly created (with a total income of **€2.7 bn**)
- A cumulated **production volume of €7.7 bn is expected**

Securing future growth – Securing „Horizon 2020“

We have to **increase – not reduce!** – the level of **research and innovation funding in Europe** in order to tackle the economic crisis of today and secure the growth and jobs of tomorrow!

Each billion that we cut from Horizon 2020 will mean:

- **4000 innovative SMEs** not receiving funding
- **600 excellent researchers** and their teams not receiving funding
- **240 large projects with 2600 participants** from industry and academia will not be funded
- **2500 Marie-Sklodowska Curie fellows** will not be funded
- **€13b less of value added** by the business sector

Needless to say, any of them would otherwise be busy creating the jobs and growth of tomorrow!

Thank you very much for your attention!

Europabüro
Gregor-Mendel-Str. 3
D-14469 Potsdam
Tel.: +49 331 200 85 70
Fax: +49 331 200 85 719
info@christian-ehler.de

European Parliament
Rue Wiertz, ASP 12 E 205
B-1047 Bruxelles
Tel.: +32 228 45325
Fax: +32 228 49325
christian.ehler@europarl.europa.eu

European Parliament
Allée du Printemps, LOW T 10 007
Bât Louise Weiss T 10007
F-67070 Strasbourg
Tel.: +33 3881 75325
Fax: +33 3881 79325

