

Keynote Speech

Creating an Innovative Europe

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A new ecology of innovation challenges many of the assumptions made about relations between large and small firms, universities and other actors and more broadly the need for a balance between supply and demand side factors in supporting innovation.

The presentation summarises the key recommendations made to European leaders by a Group tasked to advise on accelerating and adding to ways of improving EU research and innovation performance¹. Their report argues that there has been a large gap between the rhetoric of a political system that preaches the knowledge society and the reality of budgetary and other priorities that have shown little shift in preparing to engage with it. They see present European trends as unsustainable in the face of global competition and cite a series of productivity and social challenges faced by Europe to emphasise that a new vision is needed. The Group proposes a four-pronged strategy focussing on the creation of innovation-friendly markets, on strengthening R&D resources, on increasing structural mobility, as well as the broader goal of fostering a culture which celebrates innovation.

Central to the Group's approach is the observation that the reason business is failing to invest enough in R&D and innovation in Europe is the lack of an innovation-friendly market in which to launch new products and services. To create such a market they recommend actions on harmonised regulation, ambitious use of standards, driving demand through public procurement, and a competitive intellectual property rights regime.

Large scale strategic actions are called for to provide an environment in which supply side measures to raise investment in research and innovation can be combined with this process of creating a demand and a market. The Group identifies several examples: e-Health, Pharmaceuticals, Energy, Environment, Transport and Logistics, Security, and Digital Content. They call for an independent High Level Coordinator to be appointed to orchestrate European action in each area across Member States, different parts of government and the Commission, business, academia and other stakeholders.

The presentation will conclude with an assessment of reactions and progress made to date in implementing the key messages of the report.

¹ Creating an Innovative Europe - report of the Independent Expert Group on R&D and Innovation appointed following the Hampton Court Summit http://ec.europa.eu/invest-in-research/action/2006_ahogroup_en.htm
