

# **Conference Report**

# Realizing the European Innovation Area

## Launch of the UAS4EUROPE Innovation Action Plan

On Friday 8 October 2021, UAS4EUROPE handed over its Innovation Action Plan to EU Commissioner Mariya Gabriel. The Action Plan, which delivers twelve concrete applied research recommendations for the realization of the planned European Innovation Area (EIA), is the result of a consultation process of an expert group of high-level UAS leaders and entrepreneurs with extensive experience in innovation. It aims to inform Commissioner Gabriel's initiative of a single market for innovation, which will complete the knowledge triangle by complementing the European Education Area (EEA) and the European Research Area (ERA). More particularly, the Action Plan sets out how to ensure European competitiveness in the next wave of technological innovation in a sustainable, equitable and coherent way.

The event was kindly hosted by the Permanent Representation of the Netherlands to the EU. Due to Covid safety precautions, only a limited number of participants could attend on-site. Around 40 R&I and industry stakeholders as well as Commission and Council representatives engaged with the speakers at the event location, while around 100 people followed the event online.

# Key takeaways from the conference

- While the European Innovation Area has to overcome some challenges, Universities of Applied Sciences (UAS) are well-positioned to make the EIA a success.
- UAS play an important role in fostering innovation ecosystems in the new innovation wave of deep tech due to their ability to translate knowledge into applicable solutions to real-world problems.
- Strategic autonomy and global competitiveness depend on international cooperation to foster innovation capacities and promote values.
- The new innovation wave of deep tech requires the future workforce to be skilled accordingly.
- New technological developments need to be backed by the necessary social acceptance through a societal ownership.
- UAS have the potential for a more intense participation in the EIT Knowledge and Innovation Communities (KICs) and the Missions in Horizon Europe.
- SMEs and start-ups are often hindered by unnecessary bureaucratic hurdles that differ from country to country.
- UAS4EUROPE will continue its dialogue with the European Commission and aims for a first review of the Action Plan's implementation in spring 2022.



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# Welcome Address by H.E. Ambassador Michael Stibbe, Deputy Permanent Representative of the Netherlands to the EU (Coreper I)

As patron and host of the conference, Ambassador Stibbe welcomed the R&I community by emphasising the need for the research community to combine the conduct of research with its translation into innovation in order to successfully steer the twin transitions. UAS are well-placed to fulfil this role. In particular, the **translation of research output into market application** is only possible through industry-academia collaboration.

The Ambassador underlined that while the impact of UAS is visible in countries that apply this model, fragmented impact of UAS must be avoided. The planned European Innovation Area should contribute to this.



# Presentation of the UAS4EUROPE Innovation Action Plan by Marjolijn Brussaard, UAS4EUROPE Co-Chairwoman

Prior to presenting the Innovation Action Plan, Prof. Brussaard introduces UAS4EUROPE's nine member associations, which represent over 2,000,000 students and 60,000 research staff from more than 450 UAS in 24 European countries. Through its network activities, UAS4EUROPE aims to promote the UAS model. UAS have a mandate for regional development through practice-based R&D in close collaboration with regional actors, from public authorities to industry and citizens.

Prof. Brussaard outlines that due to UAS' embeddedness in innovation ecosystems, Commissioner Gabriel's cabinet commissioned UAS4EUROPE to propose concrete recommendations for the realization of a European single market for innovation.

The Action Plan, which has been composed by experienced UAS leaders and innovators, is divided into the following connected parts.

## Strengths of Universities of Applied Sciences

- Practice-based approach promoting an entrepreneurial mind-set of students
- Responding to transdisciplinary challenges and creating regional impact
- Connecting link between basic research and market application
- **Drivers** of innovation ecosystems as a result of their regional embeddedness

## Challenges for the EIA and opportunities through UAS

The challenges for realizing the European Innovation Area can be uniquely addressed by UAS through their strengths such as:

- Competing in the next technology wave,
- Connecting innovation to welfare,
- Creating future dynamic economies,
- · Fostering diversity and inclusivity,
- Addressing the skills gap,
- Mitigating technology transfer weaknesses,
- Linking fragmented innovation ecosystems & promoting innovation cohesion,
- Promoting open science and open innovation policies,
- Broadening participation of applied research institutions in European policies and programmes.

#### Recommendations

The Action Plan contains 12 concrete recommendations to overcome the challenges that hinder the full realization of the EIA. These include:

- Shorter time-frame support instruments: A stronger adaptation of support instruments to the duration of applied research projects would help increase the contribution of applied research institutions.
- Deeper links between ERASMUS+, the COSME successor programmes and the EIT: To nurture the innovative entrepreneurs of tomorrow, we should develop strong synergies between EU programmes addressing entrepreneurship in all its facets, including collaborative, applied research activities in curricula.



- Reinforced EIT KICs & European Universities Initiative: To connect the
  complementary strengths of UAS and traditional research-intensive universities, the
  integration of UAS in the instruments of EIT KICs and the European Universities
  Initiative should be reinforced. Addressing the skills gap requires the contribution of
  all types of higher education institutions.
- Mobilized European Innovation Ecosystems (EIE) instrument: Support within the EIE instrument to better connect actors of applied research across Europe is needed. This requires seeking synergies across national and regional innovation strategies, including benchmarking activities and scaling UAS-led projects from regional to European levels.

# Political Reaction by Mariya Gabriel, European Commissioner for Innovation, Research, Culture, Education, Youth and Sport

In her reaction speech, Commissioner Gabriel noted that we are currently experiencing the dawn of deep tech innovation ecosystems. This new innovation wave is based on fundamental advances in areas such as synthetic biology, advanced materials, drones, robotics and IT technologies like artificial intelligence. European deep tech start-ups have the potential to become the world's powerhouses in the new innovation wave if Europe is able to leverage the three competitive advantages of an excellent scientific base, leading companies in hardware industries and strong education systems. According to Commissioner Gabriel, these three elements are at the core of a well-functioning deep space innovation ecosystem for which UAS play a significant role.

In particular, UAS need to **turn students into innovators** based on impactful applied sciences. Mariya Gabriel underlines the fact that the majority of successful entrepreneurs come directly from classrooms without passing through research departments of big companies. This leads to an increased diversity in innovation sources. The success of regional start-ups depends on the strengths of the respective education system responsible for producing skilled talent. UAS are of paramount importance to equip the future workforce with the necessary skills and an entrepreneurial mind-set.

The new innovation agenda is defined by a pan-European innovation ecosystem at its core. In this context, the Commissioner announced that the action plan will be carefully analysed and that UAS will remain an important partner in realizing the new single market for innovation. However, there are **challenges** that remain to be tackled:

- New approach to innovation away from a mere focus on technology transfer and financial assistance. The importance of innovation ecosystems as facilitators in bottom-up collaboration between businesses and public entities needs to be emphasised,
- Focus on the **next generation of innovators**, especially on women,
- Deep tech that contributes to the objectives of the Sustainable Development Goals (SDGs),
- Need to move away from silos and focus on synergies between funding sources,
- Need to ensure the best education systems,
- Entrepreneurial skills need to become the mainstream in all curricula.



To respond to these challenges, Commissioner Gabriel referred to the new <u>EIT's HEI initiative</u>, which aims to provide the tools for higher education institutions to promote structural innovation. Furthermore, the Commission is currently co-developing an **EU strategy for universities** with member states and stakeholders, which will be presented in early 2022.

# Political Reaction by Prof. Simona Kustec, Minister of Education, Science and Sport of Slovenia

As a researcher and professor of political science, Prof. Kustec underlines the importance of universities as the cornerstone of European R&I ecosystems with UAS as particularly valuable for the translation of knowledge into practical solutions. As such, UAS are paramount in identifying and interpreting the challenges for a renewed innovation agenda.

The Minister outlines the three preconditions for a successful Innovation Area:

- **Connected knowledge:** Innovation happens through interdisciplinarity and partnerships between education and research as well as basic and applied science,
- Cooperation needs to be nurtured between all R&I stakeholders from all sectors and polity levels (European, national, regional, local),
- Science and new technologies cannot fulfil their potential without the necessary societal acceptance.

Minister Kustec points out that the renewed ERA needs to include the innovation dimension. The Council is currently working on setting up the governance of a new ERA, for which stakeholder involvement is necessary. UAS4EUROPE has thus been invited to continuously engage in the dialogue on the implementation of the new ERA.

Finally, Prof. Kustec stresses the importance of **international cooperation** in R&I. The EU should promote openness and a rules-based multilateralism in the areas of research and innovation with third countries. Strategic autonomy is only achievable through vivid and smart international cooperation to foster innovation capacities and value promotion. The Council Conclusions on the Global Approach to R&I serve as the guiding strategy in this context.

#### **Panel Discussion**

The objective of this panel discussion was to discuss the changing nature of innovation, the evolution of the next innovation wave of deep tech start-ups as well as the role of UAS in this process with the following speakers:

- Maria da Graça Carvalho, MEP, Member of the ITRE Committee
- Antoaneta Angelova-Krasteva, Director for Innovation, Digital Education and International Cooperation, DG Education and Culture, European Commission
- Dr Sabine Herlitschka, CEO & CTO, Infineon Technologies Austria
- **Dr Luciana Vaccaro**, Chairwoman, UAS4EUROPE & Rector, HES-SO (Switzerland)

The panel was moderated by Otto Bruun, Chairman of the UAS4EUROPE Management Committee.



### The changing nature of innovation, research and education

The panellists agree that the **change of innovation** lies in the fact that it is no longer linear but a complex and decentralized phenomenon. This underlines the importance of knowledge triangular integration through synergies between the European Education, Research and Innovation Areas. In this context, the transmission of an **entrepreneurial mind-set** needs to begin already in the phase of secondary education, complemented by the tertiary education curricula. Universities need to create place-based value for their respective ecosystems, which includes the training of the **future workforce** as well as responding to **market needs** through adapted re- and upskilling offers.

UAS already play a crucial role in this changing innovation environment. They are not only regionally embedded and practice-oriented but agile organisations that can respond to industry and societal needs with the required speed in developing attractive educational models that make them more impact-oriented. At UAS, students learn to provide concrete answers to substantial challenges from the day they arrive on campus.

Dr Vaccaro specifies that at HES-SO, they are moving away from courses to **projects** in certain study programmes. These projects are proposed by companies and public services and incentivise the students to think **transdisciplinary** from the start. While not all projects succeed and not every student becomes an entrepreneur, every student earns the skills to become a hands-on professional who can help in developing projects with companies.

However, the speakers note that there is still a **regional innovation divide** within and between European countries. To bridge this divide, the European institutions implemented several instruments such as the <u>HEI Initiative</u>, which supports higher education institutions to build their institutional capacity to teach entrepreneurship.

#### The evolution of the next innovation wave of deep tech start-ups

The panel concurs that science, technology and innovation have become a new currency in **global competition**. Therefore, Europe needs the **capabilities to manufacture**, especially in emerging areas and key enabling technologies. The pandemic has shown that Europe is too dependent on other countries in this regard. However, the panellists agree that **international cooperation** counts among the most powerful factors of competitiveness. While public and private partnerships are important to build up these capacities, the European Union supports this endeavour through both the EIT and the EIC in a complementary way. While the EIT focuses on equipping people with the necessary skills, the EIC promotes innovation and entrepreneurs directly with funding and additional services.

## UAS as champions of Horizon Europe's Missions

Technology and services need to serve citizens and societies at large. Due to their regional embeddedness and their obligation to benefit the society, UAS in particular are indispensable actors in creating the necessary **ownership** of new developments. The Missions in Horizon Europe address five of the most pressing societal challenges, which require the participation of all societal actors. Hence, UAS, through their mandate to foster regional development and training the future workforce through practice-based education, are needed to make the Missions a success and thus tackle long-term, all-encompassing societal challenges.



### Better access to funding for applied research institutions

Maria da Graça Carvalho outlines that Europe does not have a funding problem. Rather, the challenge lies in ensuring that the available funding is well applied and contributes to the creation and benefit of the future workforce. The bulk of EU funding in this regard lies in the responsibility of the Member States (e.g. Next Generation EU, cohesion funds) and aims to enable national governments to replicate successful programmes such as the EIC and the EIT. Antoaneta Angelova-Krasteva adds that there are many entry points for UAS to increase their funding sources, such as increased participation in the EIT Knowledge and Innovation Communities (KICs) and an active participation in the Missions.

### European unity and international cooperation

Europe needs to realize that its population is ageing and thus needs to be united. Dr Vaccaro presents an anecdote of not being able to find new furniture due to a shortage of screws, which are manufactured in China. While this is only a personal inconvenience in this case, asymmetric dependencies become much more serious in key enabling technologies such as semiconductors.

Dr Herlitschka adds that start-ups in particular need to have the possibility to work in a European context. This includes **better access to finance (i.e. venture capital) and markets**. Currently, there are still too many hurdles in the form of differing bureaucratic processes in Member States that dampen the effectiveness and success of young companies. She further outlines the potential of **innovation-oriented public procurement**, which can create a market in particular for start-ups and SMEs.

#### Putting the UAS4EUROPE Innovation Action Plan into practice

Asked about the next steps in the implementation of the innovation action plan, Ms Carvalho and Ms Angelova-Krasteva note that the EIA discussions will be held in a **bottom-up format** to define the concept of a single market for innovation. After all stakeholder ideas have been collected, the Commission will analyse them and come up with its proposal. The cooperation and dialogue will continue throughout the implementation process.

Dr Herlitschka notes that UAS4EUROPE should go ahead with the action plan implementation itself and by doing so, creating the example for the European level. This can be done by a reinforced involvement in European instruments such as the EIT.

UAS4EUROPE and its innovation expert group will continue the dialogue with the European Commission in the coming months and aims for a **first review** at the time of the next Croissant Event on 30 March 2022.



# Have a look at our website on the European Innovation Area here.

More about UAS4EUROPE: www.uas4europe.eu

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