



Contribution of UAS4EUROPE to the European Innovation Council (EIC)

European Commissioner for Research, Science and Innovation Carlos Moedas presented his priorities 'Open Science, Open Innovation and Open to the World' in June 2015. Part of his thinking is to build a European Innovation Council (EIC), which is **welcomed** by UAS4EUROPE. This contribution is to support the Commissioner in setting up an EIC. UAS4EUROPE is convinced that it is in **the interest of Europe as a whole to be as innovative as possible in order to bring continuous economic growth**. The European knowledge economy provides the intellectual capital to be able to be a top innovator. However, **good innovation governance, adequate funding mechanisms, overcoming regulatory barriers, skills investment for innovation and proper financing and budget** are the five pillars of importance to achieve the goal of being a top innovator. When successfully tackled by the EIC, UAS4EUROPE believes that Europe can be the future top innovator of the world.

1. Good innovation governance

In order to funnel innovation support in the right way, **a strong, independent and transparent Innovation Council** of experienced innovators from SMEs, start-ups, unicorns¹, industry but also from spin-off companies from universities and UAS is needed. This Council should be lean and mean and should make first of all a SWOT-analysis of the national/regional innovation policy of each EU member state (on governance and financing levels) on the one hand, and all the innovation programmes of the EU (H2020, Interreg, EFRO,...), on the other hand. This could enable EU member states to organise and finance their innovation policy in a better way and the EU to optimize their innovation programmes. Moreover, the Council should set **clear innovation criteria** for the projects to be funded. Furthermore, it should **include visionaries that have strong ideas for European innovation policy** while on the other hand leave enough room for **bottom-up activities** and ideas to flourish. The innovation focus should not only be on disruptive and **breakthrough innovation**, but also on **incremental and process innovation** to keep the SMEs on board. Moreover, next to technological innovation, also non-technological innovation, business and social innovation are important. This Council should thus act as an **advisory body for innovation** and discuss their ideas on a frequent basis with the European Commission, the European Parliament, and the European Research Council, but also with designated bodies, such as the High Level Group (HLG) Research, Innovation, and Science Policy Experts (RISE).

2. Adequate funding mechanisms

Currently, the EU offers a wide range of funding programmes via Horizon 2020, ESIF, EFSI, and so on. Funding is available for various actions, such as the research and innovation (RIA) and the innovation

¹ Unicorns are tech start-up companies valued at \$1 billion or more. A European example is Spotify.

actions (IA) under Horizon 2020 and the different loan and guarantee facilities offered by EFSI. UAS play an important role as connector between research and innovation, making the link between higher education institutions and research and technology organisations (RTOs) on the one hand, and SMEs and industry on the other hand. However, start-ups, SMEs, and midcaps are not yet sufficiently supported to have their innovations successfully take-off. Although the current concentration and focus on (research and) innovation should remain central to any kind of EU research and innovation programme, the **current R&I landscape should be better tailored to attract sufficient venture capitalists and business angels investments and enable the scaling-up of companies**. Therefore, a key-function of the future EIC should be to support institutions and initiatives that are supposed to have the leverage to activate private sector investments in R&I. Next to this, all current instruments and the design of new instruments in the future should be **easily accessible and comprehensible** for SMEs, industry, universities and UAS the like. **A simplification of the R&I landscape and better aligning of current instruments is much needed**. In principle, any participant having an ‘innovation demand’ should be able to apply to the funding instruments offered by the EIC. **The EIC should therefore be an open, inclusive council reaching out to all participants having innovation potential**. Hence, the EIC should promote closer cooperation between higher education institutions and companies, especially SMEs, in order to help to **transfer research results, ideas, and innovations of companies and higher education institutions into concrete marketable products and services useful for the society at large**. The EIC should focus on knowledge creation, bottom up innovations and user-driven RDI concepts. It could therefore make use of small scale projects for collaboration with for example SMEs to conduct applied research. Moreover, the **EIC should bridge the valley of death**, i.e. should make sure that results from basic research are used to constantly fill the pipeline for applied research.

3. Overcoming regulatory barriers

The EU has many regulations in place that **should support innovations to flourish**, however sometimes innovations take place so rapidly that they outpace and do not comply with regulations, which hamper the innovation potential. Within this respect, the analysis in the document on ‘Better Regulation for innovation-driven investment agenda at EU level’², which shows how the regulatory environment at EU level can hamper or stimulate innovation, should be tackled by the EIC. In the same fashion, the EIC should contribute to creating a *real* European Single Market and Digital Single Market for start-ups, SMEs, and higher education institutions.

4. Skills investment

Innovators can bring innovations to the market by themselves, but support systems can help them in being successful and finding the right channels for their products and/or services. Therefore, offering **seamless coaching and mentoring** to support (un)experienced innovators through the different innovation support landscapes is a task the EIC should fulfill. Support should be offered in different phases, namely already from developing the first ideas of the new innovation up to the scale-up phase. This should go further than the role fulfilled by the SME Coaches in the SME Instrument. Coaching and mentoring can be done in collaboration also with universities of applied sciences, as they play a role to bridge between the world of education and world of work, allowing for spin-offs to take off successfully.

² https://ec.europa.eu/research/innovation-union/pdf/innovrefit_staff_working_document.pdf (2015)

5. Financing and budget

Establishing an EIC would be a good idea however care should be taken of appropriate budgets. Sufficient money should be available for the instruments and programmes managed by the EIC, but next to that funding for collaborative projects in Horizon 2020 and its successor, in which the UAS primarily participate, should remain at least on the same level. **UAS4EUROPE therefore suggests a ring-fenced budget for the EIC.** Boosting innovation at the expense of research would counteract the whole idea of bringing more ideas to the market since this would mean destroying the basis for future innovation.

[UAS4EUROPE](#) is a joint initiative from [EURASHE](#), [UASnet](#), [swissuniversities](#), the [Bavarian Research Alliance](#), and the [Austrian FHK](#) to promote the voice of the UAS in Europe.



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