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Let's get down to business

Priorities for the next European research and innovation framework program

Europe lags behind the US and China in R&D and technological development but there is nothing to suggest that this course is neither predestined nor inevitable.

The potential for the single market to outperform our global rivals is clearly there. The European Union has a natural role to foster collaboration, joint research projects, knowledge sharing, ideas, and mobility for the continent's academics and businesses. In many ways, R&D goes hand in hand with the four freedoms, which the union is founded upon. The discussion on the need for a European research area goes back a long time and recently, Enrico Letta has argued for a fifth freedom of research and innovation in the single market.

A fragmented research area is a European weakness and is our continent to succeed as a global R&D powerhouse, increased ambitions are clearly needed. The proposal of Enrico Letta to lower the thresholds for increased mobility and research collaboration is positive. There is a clear rational and societal value for the EU to focus on increased and broadened use of research infrastructure.

With the right conditions, Europe can once again rise to its historic role of providing world-class research and development and create conditions for the best and the brightest minds and businesses to explore and conquer new intellectual territory. This would render more of the entrepreneurial ingenuity that Europe so desperately needs.

For this to happen, the need for reforms cannot be understated. Politicians need to go back to basics and underscore the need for a more market-oriented approach and a clear focus on global competitiveness for attracting private investments. EU needs to find the right balance between urgent concerns in a new world (dis)order, and the necessity to embrace openness and competition. At the same time, more resources need to be invested in

research and development. A new and more ambitious Lisbon-target needs to be expressed.

Europe needs to streamline the next framework program with a clearer focus on building competitiveness and attracting private investments. This requires more of bottom-up allocation of resources rather than politically motivated top-down initiatives. Only then can EU unleash the technological ingenious which the continent so utterly depends upon – not least to reach a fossil-free future.

The Confederation of Swedish Enterprise propose a restart of the EU:s research and development agenda. The challenges ahead require both a new principal orientation, but also more practical and concrete reforms for increased EU competitiveness.

- Reinvigorate the spirit of Lisbon and establish a new EU target for R&D spending: 4 percent of GDP.
- Create conditions for increased market driven R&D-intensity of EU. This requires a broader and better conditions for companies to invest, hire, compete and grow.
- Unleash freedom in R&D venture. This means better conditions for mobility as well as talent attraction within and outside the EU, more competitive European universities and stronger partnerships between academia and business.

On FP 10:

- An overarching goal of the framework program to attract private R&D investments to the EU.
- Emphasize bottom-up in R&D programs. Researchers and companies should set the priorities, not the politicians. Promote the need for competitiveness, growth and technological innovation through competition in the stated strategic principles. Highlight the benefits which can arise from strengthened Private Public Partnership (PPP).
- Lower the barriers for especially small- and medium size (SME) enterprises to participate in relevant framework programs.

- Accentuate the need for evaluation. Give more resources to the European Court of auditors to assess the *Horizon*-programs: both holistically as well as in more details.
- Continue building on the three pillar structure but with some modifications:

Pillar one needs more of a dialogue between academia and businesses to increase market uptake of new knowledge. The ERC could do more to foster researchers to understand the value of knowledge transfer.

Pillar two needs to be more business relevant and less influenced by top down political decisions. Emphasis should be on pre-competitive research. Research cooperation between academia and businesses should be at the core and PPP-models developed with the aim of attracting more private investments in R&D. Missions in pillar two are not based on excellence, are lacking a clear R&I component and is not relevant enough for industry. They should therefore be moved outside FP10.

Pillar three needs to be more heavily reformed. The EIC Accelerator should be discontinued. There is a dire need for technological development in Europe but the answer to this is not more public venture capital. As an alternative to Accelerator, EIC should focus on the Pathfinder instrument where the market rational is clearer. Pillar three should also focus more on supporting incubators and tech transfer at European universities.

The European Union has every potential to utilize the single market and the European research area to foster research collaboration and uphold excellence in cutting-edge technologies. For this to happen, however, Europe needs an R&D renaissance so that our best and brightest once again can create world-class scientific outputs.

Let's get down to business. It is time to restart Europe's R&D agenda before it's too late.

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