

EUCAR answer to EC consultation on the Green Paper “From Challenges to Opportunities: Towards a Common Strategic Framework for EU Research and Innovation funding”

Delivering on Europe 2020

Question 1: How should the Common Strategic Framework make EU research and innovation funding more attractive and easy to access for participants? What is needed in addition to a single entry point with common IT tools, a one stop shop for support, a streamlined set of funding instruments covering the full innovation chain and further steps towards administrative simplification?

- The Common Strategic Framework for EU Research and Innovation (CSFRI) has to be aligned with industrial needs, thereby encouraging industrial participation.
- The whole process has to be accelerated:
 - The time from „call published“ to grant is much too long;
 - The time from „idea to grant“ has to be reduced;
 - Benchmark for the whole process should be the German NOW, that needs for the whole process (idea to grant) less than 6 months in comparison to more than 2 years in FP7.
- Success rates (regarding application) are sometimes less than 20% which means that more than 80% is wasted. Success rates have to be increased drastically in order to perform research on the relevant topics.
- Simplification of documentation, process and financial regulation.

Question 2: How should EU funding best cover the full innovation cycle from research to market uptake?

- Include a dedicated automotive R&D initiative with a budget share consistent with the sector’s contribution to the EU economy.
- Industry should be given the means to improve today’s insufficient transfer of EU research efforts to technological solutions and industrial applications.
- Activities will be more in the competitive area towards market uptake. Funding rates should be maintained and IPR should be protected.
- The CSFRI must cover innovation in the broader sense including demonstration projects, large-scale trials, test beds, proof of concept and measures to stimulate market uptake.

Question 3: What are the characteristics of EU funding that maximise the benefit of acting at the EU level?

Should there be a strong emphasis on leveraging other sources of funding?

- EU funding should be considered where there is a clear European added value e.g. bringing together international expertise and excellence, EU-regulations, standardisation and cross-border activities.
- Pan European cooperation is often essential and more funds should be made available for large scale activities such as:
 - Interconnections of systems or sub-systems;
 - Ensuring standardization preparation;
 - Large scale testing on a European wide basis.

Question 4: How should EU research and innovation funding best be used to pool Member States resources?

How should Joint Programming Initiatives between groups of Member States be supported?

- The coordination of national and EU-projects should not result in delaying the process.
- The goal must not be to use EU R&I funding in order to harmonise national strategies but to pool the different and thus complementing strengths of the member states. Strictly following the principle of subsidiarity means that European research and innovation policy must supplement and not replace national policies. Some EU funding could be used as catalyst, but the main responsibility needs to be with the Member States.

Question 5: What should be the balance between smaller, targeted projects and larger, strategic ones?

- The sizes of projects have to be coherent with the whole CSFRI and its elements:
 - Smaller targeted projects fit better the interests to develop specific technologies and solutions;
 - Large projects are better suited to address larger strategic initiatives based on regularly-updated and commonly-agreed research and innovation agendas and road maps.
- There is clearly a need for more large-scale projects with strong and sustained industry participation.

Question 6: How could the Commission ensure the balance between a unique set of rules allowing for radical simplification and the necessity to keep a certain degree of flexibility and diversity to achieve objectives of different instruments, and respond to the needs of different beneficiaries, in particular SME?

- Although different programmes must be able to work according to their own goals, a standardised set of financial rules and procedures used with the same interpretation by all EU RDI programmes would be very helpful.
- All participants (science, SME and industry) will profit from streamlined rules and reduction in complexity: complexity has to be reduced as far as possible and, where different instruments exist and are necessary, they should at least be complementary.
- Standard time reporting procedures must be accepted.

Question 7: What should be the measures of success for EU research and innovation funding?
Which performance indicators could be used?

- Research means by definition that no success could be foreseen: for the industry only 25-50% of the effort is funded. Therefore there is an inherent interest of the industrial partners to achieve maximised success of all projects.

Question 8: How should EU research and innovation funding relate to regional and national funding?
How should this funding complement funds from the future Cohesion policy, designed to help the less developed regions of the EU, and the rural development programmes?

- EU R&I funding should not be used to overcome problems of a EU member concerning missing national research programmes or underdeveloped research infrastructures. The main criteria for the selection of programmes and projects to improve the European competitiveness of must be scientific excellence and industrial economic relevance for Europe as a whole. If there is a need for individual states to catch up in research this must be met out of structural funds.
- Some coordination is needed to avoid double work and maybe beneficial to use some EU funding for this.
- Merging the political interest of developing special regions with the wish to develop a better framework to research will hamper the research activities; therefore we are not in favour.

Tackling societal challenges

Question 9: How should a stronger focus on societal challenges affect the balance between curiosity-driven research and agenda-driven activities?

- Focus on areas where Europe has the potential to maintain and develop the critical industrial mass to be a world leader.
- Mobility and transport of people and goods is one of the great achievements of mankind and securing its sustainable future is essential for social and economic development. Ensuring sustainable mobility and transport should therefore be recognised as one of the Grand Societal Challenges for Europe, requiring the application of dedicated attention and resources of the European Union to this priority topic in the CSFRI.

Question 10: Should there be more room for bottom-up activities?

- An appropriate procedure should be established to start investigations on critical collaborative R&D issues, not included as topics in the EC workprogrammes, that require fast industrial exploitation of the results; (refer to EUCAR document).
- Within a general item there should be the possibility to apply for a special project.

Question 11: How should EU research and innovation funding best support policy making and forward-looking activities?

- The formulation of the societal challenges policy objectives of the CSFRI, done by the EC in collaboration with the industry, has to be followed by common implementation practices and instruments across Commission DG, the ERC, the EIT, the JTI, the CIP in order for RDI to meet the objectives of the policy areas.
- EU research and innovation funding can support policy making by:
 - Funding of foresight studies and road-mapping activities through special instruments, e.g. CSA etc.;
 - Creating specific stream for supporting activities for policy making and monitoring in partnership between industry and research organizations;
 - Utilize the ETP for policy issues.

Question 12: How should the role of the Commission's Joint Research Centre be improved in supporting policy making and addressing societal challenges?

- The cooperation between the JRC and the private sector must be enhanced.
- JRC should focus solely on its technical role in supporting the policy making and development.

Question 13: How could EU research and innovation activities attract greater interest and involvement of citizens and civil society?

- The continuation of the joint EC-industry investments on application-oriented research and development would allow the achievement of ambitious social-driven targets with respect to employment, value added, environment, research and development, innovation and education.
- Results of Large-scale demonstration projects should be made aware to the public (... to increase interest of young people in automotive research).
- Citizens should be involved in latest steps of deployments of Large-scale demonstration projects, e.g. EURO-FOT, SATIE, ...

Strengthening competitiveness

Question 15: How should industrial participation in EU research and innovation programmes be strengthened?
How should Joint Technology Initiatives (such as those launched in the current Framework Programme) or different forms of 'public-private partnerships' be supported?

What should be the role of European Technology Platforms?

- Private sector (industry) participation in the research framework programmes has been declining from FP4 to FP7.
- Industrial participation in EU RDI programmes depends strongly on the selection of themes and an adequate emphasis on projects of industrial relevance (necessary).
But even if themes are interesting, complexity of rules, slow procedures, lack of flexibility, administrative burden, (causing a high cost/benefit ratio) reduce the industry participation (sufficient).
- Involve industry more in setting the research agendas.
- Ensure that EU automotive R&D is oriented towards providing solutions for the sector's societal demands, including mobility, transport, environment, energy efficiency and competitiveness, by integrating expert input from the industry.
- Support relevant Innovation Partnerships with these dedicated automotive R&D activities in the Framework Programmes.
- Industrial participation could be improved by an accelerated, less bureaucratic process that is more trust-based and less control based with a much higher success rate regarding application.
The latter could be achieved by e.g. a continuous discussion during the application process between beneficiary and commission.
- In general, the JTI have proved successful in strengthening Industrial participation regarding the development of specific technologies.
- The lessons learnt from the JTI in FP7 indicate a route forward for their evolution in FP8 to further strengthen the participation of Industry.
- The PPP, and in particular the EGCI, have evolved on the basis of the experience gained within the JTI.
- The EGCI has proven itself as an efficient and effective initiative and should be developed.
- European Technology Platforms contribute the RDI activities with an industry-led holistic approach to innovation, based on a shared vision of all stakeholders.

- ETP Strategic Research Agendas provide valuable inputs for work programmes and help align fragmented R&D efforts at Community, intergovernmental national and regional levels within the ERA.
- ETP should be continued in the CSFRI.
- JTI and JU showing a high rate of industrial commitment should be further improved:
 - Funding rate 50% for industrial partners should be guaranteed.
 - For some of those JTI and JU with co-financing by the member states the following improvements should be made:
 - Increase the commitment by the member states,
 - Achieve pre-commitment per member state for the total programme,
 - Align national governmental and European research interests,
 - Accelerate the signing procedures by some member states.
 - Currently, the JU have the status of community bodies with the corresponding high level of bureaucracy, complexity and rigidity of the processes. They should have a mixed public-private body with a light model financial regulation, as proposed by the Commission for the revision of the EU Financial Regulation.

Question 16: How and what types of Small and Medium-sized Enterprises (SME) should be supported at EU level? how should this complement national and regional level schemes?

What kind of measures should be taken to decisively facilitate the participation of SME in EU research and innovation programmes?

- SME will profit from streamlined rules and reduction in complexity.
- SME should work and complement activities of medium and large enterprises within all the RDI activities: this will be more efficient for the SME than dedicate a special program that is targeted to this group.
- Focus on SME developing new products, not consultancy.

Question 17: How should open, light and fast implementation schemes (e.g. building on the current FET actions and CIP eco-innovation market replication projects) be designed to allow flexible exploration and commercialisation of novel ideas, in particular by SME?

- Industries have to date not shown interest in participating in projects co-funded by the CIP due to a strong SME focus, complex application process and no substantive funding.

- Same rules have to be applied as for FP7.
- An action similar to the FET open scheme could be used to enable fast track exploitation of collaborative projects (link to EUCAR fast track proposal).

Question 18: How should EU level financial instruments (equity and debt based) be used more extensively?

- Access to finance remains a major obstacle to expansion of industry: existing structures and financing mechanisms on the EU level must be enhanced and expanded.
- Loans are not the appropriate tool for research.

Question 19: Should new approaches to supporting research and innovation be introduced, in particular through public procurement, including through rules on pre-commercial procurement, and/or inducement prizes?

- A programme in which projects which are permitted to commence immediately after positive evaluation, in which the negotiation of contract proceeds in parallel to project execution (the project is funded, but at the risk of participants should negotiations not be successful).
This would allow even faster process for those project participants able to commit to this risk.
- Collaborative projects which have already been started by the participants in a feasibility or pilot stage, demonstrating commitment to project, thereby providing confidence supporting accelerated contract negotiation project.
- Projects which are continuations of ongoing projects nearing completion, e.g. extension of the existing project due to newly identified research needs, enhancement of the project due to new expertise or insights or exploitation of the results of an R&D project in an implementation project.
Accelerated procedures are employed allowing timely continuation without interruption in the R&D work.

Question 20: How should intellectual property rules governing EU funding strike the right balance between competitiveness aspects and the need for access to and dissemination of scientific results?

- The current principles regarding IP in FP7 are adequate and should continue in the CSFRI.

Strengthening Europe's science base and the ERA

Question 21: How should the role of the European Research Council be strengthened in supporting world class excellence?

- Fundamental research must continue to be “investigation driven” but the connection with industry needs and economic potential must be strengthened.

Question 23: How should the role of Marie Curie Actions be strengthened in promoting researcher mobility and developing attractive careers?

- Marie Curie actions foster mobility and temporary exchanges between academia and industry giving young researchers the opportunity to receive international research training in industry.
- The Marie Curie actions should be continued and better integrated with the Grand Societal Challenges in the CSFRI.

Question 24: What actions should be taken at EU level to further strengthen the role of women in science and innovation?

- EUCAR is in favour of more active participation of women in European RDI activities.

Question 25: How should research infrastructures (including EU-wide e-Infrastructures) be supported at EU level?

- Industry involvement/participation in European research infrastructures should be enhanced.

Question 26: How should international cooperation with non-EU countries be supported e.g. in terms of priority areas of strategic interest, instruments, reciprocity (including on IPR aspects) or cooperation with Member States?

- In general, the drain of know-how from Europe to other world regions should be avoided.
- Principle of reciprocity, i.e. local R&D labs of European multinational companies should also get access to nationally funded programmes outside of Europe.
- Focus on direct cooperation programmes of EU member states with non- European countries.

About EUCAR

EUCAR is the European Council for Automotive R&D from the major European passenger car and commercial vehicle manufacturers. EUCAR facilitates and coordinates pre-competitive research and development projects and its members participate in a wide range of collaborative European R&D programmes. The European automobile manufacturers are the largest private investors in R&D in Europe with over €26 billion investment per annum, or 4% of turnover. EUCAR members are BMW, DAF, Daimler, Fiat, Ford Europe, GM/Opel, Jaguar Land Rover, Porsche, PSA Peugeot Citroën, Renault, Scania, Volkswagen Group, Volvo Car and Volvo Group. EUCAR is closely connected to ACEA, the European Automobile Manufacturers Association.

EUCAR Contact: +32 27387352

eucar@eucar.be

www.eucar.be