

Brussels, 25 November 2003

OPINION

of the
Committee of the Regions
of
20 November 2003

on the

Communication from the Commission on Investing in research: an action plan for Europe

COM(2003) 226 final

THE COMMITTEE OF THE REGIONS

Having regard to the Communication from the Commission on *Investing in research: an action plan for Europe* COM(2003) 226 final;

Having regard to the decision of the European Commission of 30 April 2003 to consult it on this subject, under the first paragraph of Article 265 of the Treaty establishing the European Community;

Having regard to the decision of its president of 19 March 2003 to instruct its Commission for

Culture and Education to draw up an opinion on this subject;

Having regard to the Communication from the Commission on *Researchers in the European research area: one profession, multiple careers* (COM(2003) 436 final);

Having regard to the opinion of the Committee of the Regions on the Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions on *The Regional dimension of the European research area* (COM(2001) 549 final) (CdR 442/2001 fin)¹;

Having regard to the opinion of the Committee of the Regions on the Communication from the Commission on *More research for Europe – Towards 3% of GDP* (COM(2002) 499 final), and the Communication from the Commission on *The European Research Area: Providing New Momentum – Strengthening - Reorienting - Opening up new perspectives* (COM(2002) 565 final) (CdR 328/2002 fin);

Having regard to its draft opinion CdR 246/2003 rev. 1 adopted on 2 October 2003 by the Commission for Culture and Education (Rapporteur: **Mr Nordström**, Regional Councillor, Region of Västra Götaland (SE/ELDR).

Whereas:

1) The Commission, acting on instructions from the Council in March 2003, has presented an action plan for investment in research in order to achieve the objective of 3% of GDP by the year 2010. In order to achieve this level of investment, of which two-thirds should come from companies, an additional 1.2 million research staff will be needed.

2) The action plan aims to ensure that the necessary initiatives at the various political levels are sustained, mutually consistent and commensurate with bringing radical improvements. More than 80% of public investment in research in the EU concerns the local and regional and national level.

3) Weak links in the system risk discouraging investment: research career problems can lead excellent human resources to move out of research or out of Europe; there is dispersion and lack of visibility of excellent research; difficulties are encountered by SMEs in securing financing for their projects; there is a lack of awareness of researchers and research managers regarding the protection and management of intellectual property.

4) By the end of the year a group of experts is to present a report on the establishment of a European Research Council (ERC).

5) The European Parliament has launched a new Regions of Knowledge (KnowREG) initiative, which is to be funded outside the Structural Funds and framework programmes. The initiative aims to provide support for strategic research policy efforts at local and regional

level.

6) ERRIN (European Regions Research & Innovation Network), which comprises the Brussels offices of 100 EU regions (out of a total of 240), maintains contacts between the EU institutions and local and regional bodies and can assist in the implementation of the Commission's proposed action plan;

unanimously adopted the following opinion at its 52nd plenary session, held on 19-20 November 2003 (meeting of 20 November).

1. **The Committee of the Regions' views and recommendations**

Fostering the coherent development of regional strategies for research investment

The Committee of the Regions

1. **welcomes** the Commission proposal for an action plan for increased investment in research to provide Europe with a stronger public research base and make it more attractive to private investment in research and innovation;
2. **would point out** that companies can only invest in research if there is a prospect of sustainable results. Long lead times are needed for basic research and innovation to produce competitive products and services. An increase in EU support for these areas should be particularly promoted;
3. **believes** that EU support guidelines must lead to simpler exploitation of results. To provide incentives for private investors, it is also important to establish – from the point of view of content – the dividing line between research and development, particularly as far as future development trends are concerned.

Shaping a common vision for the development and deployment of key technologies

The Committee of the Regions

4. **wishes to comment** on proposals affecting the local and regional level in respect of the establishment of European technology platforms.

Enabling all regions to benefit from increased investment in research

The Committee of the Regions

5. **endorses** the Commission's view that all regions would gain from mutual learning in defining their research and innovation strategies, and that the same strategy can be applied to the initiatives arising from the R&D human resources implications of the 3% objective. The measures required must, however, be tailored to individual regional and national situations;
6. **believes** that the Commission proposal to develop a typology of regions and a methodology for the comparative assessment of regional performance would promote social, economic, technological, environmental and organisational foresight at regional level, and the discussion of the EU's 3rd Cohesion Report, as a basis for planning framework and Structural Funds programmes for 2007-2013.

Designing a coherent mix of policy instruments

The Committee of the Regions

7. **welcomes** the fact that the Structural Funds are to be used to remove regional imbalances in infrastructure, training, research and innovation. However, such moves must be distinguished from measures to promote research, as the purpose of the Structural Funds is different. Support for research must be contingent on scientific excellence. Structural Funds support is needed to achieve synergies. The Committee has made this point in earlier opinions²;
8. **agrees** that the proposals for the coherent use of various policy instruments and for strategy interaction must be discussed before the spring Council meeting each year, on the basis of information acquired and lessons learned by way of example through the open process of coordination;
9. also **calls** for integration of the accession countries in the research investment action plan, particularly by supporting the establishment and development of inter-regional research joint ventures through a coherent mix of vertical integration instruments (to establish "added value chains") and horizontal integration instruments (through a multidisciplinary approach);
10. **advocates** increased scope for SME participation in public procurement. This could be achieved by establishing sector-based research networks involving a large number of SMEs.

Making research more attractive to students

The Committee of the Regions

11. **believes** that the local and regional level must closely monitor demographic trends so that a shortage of technology or researchers does not pose a threat to prosperity by cooperating with training bodies and ensuring grass-roots awareness of existing opportunities;

12. **suggests** that, in connection with the third level (doctoral level) of the Bologna process, the Commission should encourage the Member States and regions to report their experience of new career structures for researchers, new research institute partnerships, and any other forms of partnership that can bridge the gap between researcher training and employment.

Extending the public research base and its links with industry in the regions

The Committee of the Regions

13. **endorses** the Commission proposal for the EU to develop guidelines for the administration and exploitation of intellectual property rights and licenses resulting from publicly-funded research.

Combining EU finance instrument with national research at regional level

The Committee of the Regions

14. would **urge** the Commission to help ensure that all regions have the opportunity to take part in preparing the next generation of Structural Funds programmes – this applies to the accession countries in particular.

Promoting a critical mass at regional level through direct research and innovation measures

The Committee of the Regions

15. **believes** that research resources must also be integrated in various *sectoral perspectives* in order to create poles and networks of excellence at local and regional level. Administration of sectoral and education efforts, sharing know-how, etc., could be supported through various forms of guarantee mechanisms that can help to spread risks between several parties.

Support to risk capital for research-intensive SMEs

The Committee of the Regions

16. **believes** that the question of risk capital for research-intensive SMEs must be addressed in connection with the negotiations on Member States' national action plans in accordance with the Luxembourg Process; with the mid-term review of the EU's social fund for skills development; and with the preparations of the next generation of Structural Funds programmes.

Improving the contribution of financial policy to growth and the quality of public investment

The Committee of the Regions

17. **recommends** that the Commission should help to ensure that the national action plan negotiations provided for under the Luxembourg Process pay particular attention to national action plan proposals for redirecting public spending towards research and innovation.

Reviewing State aid rules for research before 2006

The Committee of the Regions

18. **does not agree** with the Commission that the current Community framework for State aid to research and development should be extended until 2005³. It would **reiterate its conviction** that the current framework **is not an appropriate way** to improve the climate for scientific innovation, particularly as regards SMEs⁴.

Protecting intellectual property rights (IPR) for research processes and specific technology areas

The Committee of the Regions

19. **endorses** the proposal for EU-wide IPR awareness and training activities for researchers and students, as long as these additional activities can be provided on a voluntary basis.

Greater transparency in corporate reporting of investment in research

The Committee of the Regions

20. **suggests** that the existing international guidelines for assessment and reporting of intellectual capital should be discussed in connection with corporate social responsibility (CSR), and that recourse to the guidelines should be monitored by the Dublin Foundation's EMCC.

Brussels, 20 November 2003.

The President

The Acting Secretary-General

of the
Committee of the Regions

of the
Committee of the Regions

Albert Bore

Gerhard Stahl

¹ OJ C 278, 14.11.2002, p.1

² CdR 442/2001 on COM(2001) 549 final: *The Regional dimension of the European research area*

³ CdR 328/2002 fin, point 16, page 5

⁴ CdR 328/2002 fin, point 13, p 4

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CdR 246/2003 fin EN/O

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