Europe is entering a new era that will have an impact on the future of next generations, with key societal, environmental and economic challenges to face. In this context, European leaders clearly need to prioritise Research, Development and Innovation (RD&I) in the next EU budget. Being one of the main drivers of prosperity and sustainable growth, public budget leveraging private RD&I investments in the EU, RD&I is essential to answer societal needs. With their expertise, RTOs will have a prominent role to play in supporting European leaders to define Europe’s future RD&I policies. EARTO has provided European leaders with a set of concrete recommendations to develop effective and impactful post-2020 RD&I policies in Europe. These recommendations especially include the necessity to set-up an EU strategy on technology infrastructures, as well as to ensure efficient RD&I framework conditions in the EU to support private RD&I investments (e.g. competition law, industrial policy, internal market). For 2020, EARTO and its members aim at further promoting and discussing this set of recommendations with European leaders in a continued open dialogue. EARTO’s contribution will deliver impact for the next EU programming period covering 2020 to 2027. Indeed, delivering societal and economic impact is deeply rooted in RTOs’ missions and business models.

**Antti Vasara**  
EARTO President, President & CEO, VTT

In 2019, thanks to its members’ active involvement and strong commitment, EARTO has successfully fulfilled its mission by publishing and promoting 17 position papers, addressing all key topics of RTOs’ interest. Our structure is still allowing EARTO to be a responsive network adapting to a demanding and evolving EU agenda. Combining the work of its Steering Committee, Board and Secretariat with the expertise gathered in its 8 Working Groups, EARTO Network is able to quickly and efficiently shape common positions. EARTO constantly supports the EU Institutions in defining EU RD&I policies. This year, EARTO has provided key inputs to EU Institutions for the creation of various EU programmes related to RD&I and their possible synergies: especially Horizon Europe, Regional, Space, Defence and Digital Europe Programmes. EARTO inputs covered not only how those programmes should be shaped, but also what new measures could be taken in order to maximise the impact of the future participation of RD&I actors such as RTOs. EARTO inputs have been very well received and proved to be useful to EU institutions in the making of the new EU regulations linked to the setting-up of those new EU RD&I programmes this year. Our network can be very satisfied with its impact.

**Iñaki San Sebastián**  
EARTO Vice-President, CEO, Tecnalia

In 2019, EARTO has seen an unprecedented growth of its membership, welcoming 11 new members, from Europe and beyond. Our new international members are now active in the new RTOs International Network (RIN) that we launched this year. RIN constitutes a great opportunity to exchange best practices world-wide as well as present a common RTOs front towards international institutions. Today EARTO counts 29 countries from Europe and beyond demonstrating the stability of the association. Furthermore, one key topic treated by EARTO this year has been the promotion of the creation of a new EU strategy for technology infrastructures. Such pan-European strategy on technology infrastructures will be key for the new EU Industrial strategy to be based on EU technology leadership in key EU value chains. More work on this topic will be done in 2020. In addition, the European leaders are developing a new EU agenda with the new European Green Deal towards which European RTOs will have to position themselves in the coming year. EARTO is clearly dedicated to demonstrating RTOs’ impact on tackling societal challenges like those targeted by the European Green Deal.

**Pia Sandvik**  
EARTO Treasurer, President & CEO, RISE
EARTO promotes its positions on EU Post-2020 programmes’ regulations: Horizon Europe (incl. Model Grant Agreement), Digital Europe, Regional, Space, Defence

EARTO joins forces with 90+ industry associations to call for an ambitious Horizon Europe Programme

EARTO & Vanguard Initiative publish a joint statement on EC’s proposal to review the GBER

EARTO organises 2 Innovation Schools on “the Next Cohesion Policy Programming Period” and on “Horizon Europe Implementation: Key Financial Aspects”

EARTO CEOs meet EC DG R&I Director General Jean-Eric Paquet at EC High-level Roundtable on RD&I Policy during the EU R&I days

EC Vice-President for Jobs, Growth, Investment and Competitiveness Jyrki Katainen and Finnish Interior Minister Kai Mykkäne speak at EARTO Annual Conference

EARTO in 4 EC HLGs: Industry 2030, Important Projects of Common European Interest (IPCEIs), Artificial Intelligence and the Open Science Policy Platform (OSPP)

EARTO members sit in EU Missions’ Board and Assemblies

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**2019**

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- EARTO members sit in EU Missions’ Board and Assemblies

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**Recent Activities**

- **2018**
  - EARTO shares its position on EU Post-2020 programmes: Horizon Europe, Digital Europe, Space, Defence, Structural Funds
  - 2nd joint declaration for an ambitious Horizon Europe budget by 25 Industry & RTOs’ Associations
  - EARTO launches its 2nd Economic Footprint Study at EARTO Impact Day
  - EARTO in 4 HLGs on Industry 2030, IPCEI, Artificial Intelligence, and the OSPP

- **2017**
  - EARTO in EC 3rd High-Level Group on KETs
  - EARTO strengthens its collaboration with EIB, EIT, JRC and OECD
  - EARTO presents its views to the EC HLG on maximising impact of EU R&I Programme, the HLG H2020 Midterm Review, the EESC Midterm Review panel, and the HLG ESIF Simplification

- **2016**
  - EARTO President hands over EIC paper to Commissioner Moedas
  - EARTO addresses EP on H2020 Midterm Review, EIC and EU auditing policy
  - EARTO contributes to various EU discussions on ESIF Simplification and post-2020 programming period
  - Launch of two new technology oriented Working Groups: MedTech and European Data Space

- **2014**
  - EARTO active on State Aid Rules Revision
  - EARTO ERRIN paper on Synergies ESIF/H2020
  - 1st feedback paper on H2020 1st calls with IGLIO
  - EARTO Recommendations for Future EU Innovation Policy
  - 1st Letter to EC President Juncker against cuts to H2020 in EFSI

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**Annual Report 2019**

**17** Position Papers
including 10 EARTO papers on Horizon Europe

**5** EARTO Events

**8** Active Working Groups
EU Influence
- Strongly voice the need of an ambitious EU budget for RD&I
- Work with EU Institutions to prepare the post-2020 programmes: Horizon Europe, Digital Europe, Space, Defence, Structural Funds
- Work with EC and Member States’ experts on Horizon Europe’s implementation, including financial rules (e.g. unit costs/internal invoices, personnel costs, audits and system and process audits, lump-sums), and legal rules (e.g. open science, IPR, dissemination & exploitation of results) of the Model Grant Agreement
- EARTO in 4 EC HLGs: Industry 2030, Important Projects of Common European Interest (IPCEIs), Artificial Intelligence, and the Open Science Policy Platform (OSPP)
- Work with EU institutions on the EU R&I Legal Framework for efficient EU data sharing policy
- Meetings with EC Vice-President for Jobs, Growth, Investment and Competitiveness Jyrki Katainen, EC DG R&I Director General Jean-Eric Paquet, Commissioner Moedas, EC DG CONNECT Deputy Director General Khalil Rouhana, EC DG GROW Deputy Director General Antti Peltomäki
- Collaboration with the OECD: data on RTOs, technology infrastructures, knowledge co-creation and the role of intermediaries
- Collaboration with the JRC: EARTO in the board of the TTO Circle, EARTO members in JRC Board & JRC expert group on State Aid for RD&I
- EARTO Speaker in the Closing Ceremony of RDI days

Promoting RTOs and their reputation
- 3 EARTO Special Events: High-level Roundtable with BusinessEurope on RD&I Policy during RDI days, Innovation Schools on “the Next Cohesion Policy Programming Period” and on “Horizon Europe Implementation: Lump-sums, Unit Costs, System Audits and Other Key Financial Aspects”
- Raised RTOs’ profile highlighting members’ success stories at our Innovation Awards Ceremony, with its brochure and press release

Networking with other stakeholders
- Annual Conference in Espoo, Finland: 250 participants, hosted by VTT
- Policy Event and Innovation Awards ceremony in Brussels: more than 250 participants. 2 winners: CEA and Fraunhofer
- Collaboration with 90+ EU Industry associations for an ambitious Horizon Europe programme
- Collaboration with ERRIN, Vanguard Initiative and other region networks on Synergies Post-2020
EARTO INNOVATION AWARDS 2019

IMPACT DELIVERED

1ST PRIZE
Targeting better cancer care
Fraunhofer

2ND PRIZE
The new ion age
TNO innovation for life

3RD PRIZE
End of the tunnel for firefighting system
RISE

IMPACT EXPECTED

1ST PRIZE
Energy transition on the move
CEA

2ND PRIZE
One step ahead
Fedit

3RD PRIZE
The seed of a good idea
tecnamia

MEMBERS IN H2020 IN FIGURES
(eCorda data October 2019)

EARTO MEMBERS

EARTO MEMBERS REPRESENT 1% OF THE BENEFICIARIES BUT RECEIVE 8% OF THE AVAILABLE FUNDING

INDUSTRY PARTICIPATION INCREASES TO 33% WHEN EARTO MEMBERS ARE INVOLVED IN THE PROJECT (24% WHEN THEY ARE NOT)

EARTO MEMBERS COORDINATE 32% OF THE PROJECTS IN WHICH THEY PARTICIPATE

EARTO MEMBERS PARTICIPATE IN LARGE COLLABORATIVE PROJECTS WITH ON AVERAGE €5M EU CONTRIBUTION AND 14 PARTNERS PER PROJECT

61% OF THE FUNDING SPENT IN PILLAR II (INDUSTRIAL LEADERSHIP) GIVEN TO PROJECTS WITH EARTO MEMBERS

54% OF THE FUNDING SPENT IN PILLAR III (SOCIETAL CHALLENGES) GIVEN TO PROJECTS WITH EARTO MEMBERS
EARTO WORKING GROUPS IN 2019

To define common positions and exchange best practices, EARTO has fixed Working Groups. Throughout 2019, 5 Policy WGs and 3 Technology Oriented WGs were running.

POLICY WORKING GROUPS

<table>
<thead>
<tr>
<th>WG EU Framework Programmes</th>
<th>WG Legal Experts</th>
<th>WG Financial Experts</th>
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</thead>
<tbody>
<tr>
<td><strong>Chair:</strong> EARTO Secretariat</td>
<td><strong>Chair &amp; Core Team:</strong> CEA &amp; EURAC, TNO</td>
<td><strong>Chair &amp; Core Team:</strong> TNO &amp; AIT, CEA, DTI, Fraunhofer, VTT</td>
</tr>
<tr>
<td><strong>1 HIGH-LEVEL ROUNDTABLE ON RD&amp;I POLICY DURING RDI DAYS</strong></td>
<td><strong>3 PAPERS PUBLISHED IN 2019</strong></td>
<td><strong>1 EARTO INNOVATION SCHOOL ON “TOWARDS HORIZON EUROPE IMPLEMENTATION: LUMP-SUMS, UNIT COSTS, SYSTEM AUDITS AND OTHER KEY FINANCIAL ASPECTS”</strong></td>
</tr>
<tr>
<td><strong>7 PAPERS PUBLISHED IN 2019</strong></td>
<td></td>
<td><strong>4 PAPERS PUBLISHED IN 2019</strong></td>
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<tr>
<td>- EARTO Recommendations for European RDI Policy Post-2020</td>
<td>- EARTO Recommendations for European RDI Policy Post-2020 – legal aspects</td>
<td>- EARTO Answer to the EC Consultation on Horizon Europe Implementation: Rules for Participation and Model Grant Agreement - legal aspects</td>
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<tr>
<td>- EARTO Press Release on MFF: More ambition is needed for EU RD&amp;I investments</td>
<td>- EARTO Answer to the EC Consultation on Horizon Europe Implementation Aspects – legal aspects</td>
<td>- EARTO Paper on Horizon Europe Implementation Financial Aspects</td>
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<tr>
<td>- EARTO Answer to the EC Consultation on Horizon Europe Implementation Aspects - horizontal aspects</td>
<td>- EARTO Note on Horizon Europe’s recitals</td>
<td>- EARTO Feedback on Lump-Sums Pilot Experiences</td>
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<tr>
<td>- Joint Statement for an Ambitious Horizon Europe Programme with 92 industry associations</td>
<td>- Cooperation with EC DGs &amp; other Stakeholders</td>
<td>- EARTO Feedback on H2020 Implementation</td>
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<tr>
<td>- EARTO Answer to the EC Consultation on Horizon Europe Programme Strategic Planning</td>
<td>DG R&amp;I, DG CONNECT, DG GROW, DG JRC, EP (ITRE)</td>
<td><strong>KEY ISSUES FOR 2020</strong></td>
</tr>
<tr>
<td>- Press Release – EARTO Welcomes the EU Institutions’ Agreement on Horizon Europe</td>
<td></td>
<td>- Horizon Europe implementation: Rules for Participation and Model Grant Agreement - legal aspects</td>
</tr>
<tr>
<td><strong>Cooperation with EC DGs &amp; other Stakeholders</strong></td>
<td><strong>KEY ISSUES FOR 2020</strong></td>
<td><strong>Usual cost accounting practices, unit costs, allocation keys, internally invoiced goods and services</strong></td>
</tr>
<tr>
<td>DG R&amp;I, DG CONNECT, DG GROW, DG JRC, European Political Strategy Centre, EP (ITRE), Business Europe, Digital Europe, Orgalim and more than 20+ other Industry associations</td>
<td>- Open Science policy, incl. Data Management Plan, FAIR data, European Open Science Cloud, Open access to publications, Plan S</td>
<td><strong>Audits, cross-reliance, system and process audits</strong></td>
</tr>
<tr>
<td><strong>KEY ISSUES FOR 2020</strong></td>
<td>- Intellectual Property Rights, Standard Essential Patents &amp; Standardisation</td>
<td><strong>Simplified cost option: feedback on H2020 Lump Sum pilots</strong></td>
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<tr>
<td>- MFF &amp; EU budget for R&amp;I</td>
<td>- EU State-aid rules: implementation and preparing revision</td>
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<td>- Horizon Europe: KETs, Partnerships, Missions, EIC Pathfinder, EIT, etc.</td>
<td>- Pre-Commercial Procurement</td>
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<td>- Technology Infrastructures FP Simplification</td>
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<td>- RD&amp;I ecosystems and Innovation Hubs</td>
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<td>- Digital Europe Programme</td>
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Chair & Core Team: Tecnalia & EURAC, Fraunhofer, VTT

1 EARTO INNOVATION SCHOOL ON “TOWARDS THE NEXT COHESION POLICY PROGRAMMING PERIOD”

2 PAPERS PUBLISHED IN 2019
- EARTO Joint Contribution to the EC Consultation Reviewing the GBER
- Joint Statement on Interregional Innovation Investments for European Value Chains

Cooperation with EC DGs & other Stakeholders
DG R&I, DG REGIO, DG JRC, DG CONNECT, ERRIN, Vanguard Initiative, Committee of the Regions, EP (REGI)

KEY ISSUES FOR 2020
- Post-2020 Cohesion Policy
- Synergies with Horizon Europe incl. Interreg Component 5 & transfer of Cohesion resources to other EU Programmes
- ESIF Simplification incl. state aid issues

Chair: EARTO Secretariat

1 PAPER PUBLISHED IN 2019
- EARTO Recommendations for European RDI Policy Post-2020

Cooperation with EC DGs & other Stakeholders
OECD, DG R&I, DG JRC, EUROSTAT

KEY ISSUES FOR 2020
- Organising EARTO data collection
- Demonstrating the impact of RTOs
- Work towards official OECD and EUROSTAT data on RTOs (flagging in national statistics)
- Collaboration with OECD on common topics: co-creation, knowledge transfer and RD&I Intermediary organisations, RD&I infrastructures
- Horizon Europe Impact Pathways

Chair & Core Team: CEA until October, then TNO & AIT, INOV, VTT

1 EVENT SUPPORTED: SMIIG

Cooperation with EC DGs & other Stakeholders
DG DEFIS, DG R&I, DG CONNECT, DG HOME, EDA, IMG-S, CEN CENELEC, EIB, Seren 4

KEY ISSUES FOR 2020
- Input to Horizon Europe (security & defence related topics)
- First Work Programmes of Horizon Europe
- Recommendations for the European Defence Fund
- RTOs in Secure Societies

Chair & Core Team: CEA, AIT, LEITAT

2 PAPERS PUBLISHED IN 2019
- Accelerating the Digitization and Market Access of Emerging Technologies for Healthcare – The Pivotal Role of RTOs
- Recommendations to the Health PPP SRA

Cooperation with EC DGs & other Stakeholders
DG R&I, DG GROW, DG REGIO, DG SANTE, DG CONNECT, MedTech Europe, EFPIA, CECIR, Vanguard Initiative

KEY ISSUES FOR 2020
- Health PPP
- Input to Horizon Europe (health related topics)
- Linking with Medtech SMEs
- Influencing health Work Programme
- Role of Medtech RTOs in Horizon Europe

Chair & Core Team: CSEM & Fraunhofer, TNO

1 PAPER PUBLISHED IN 2019
- Inputs for Governance of the Space Partnership (not public)

Cooperation with EC DGs & other Stakeholders
DG DEFIS, DG GROW, DG R&I, ESA, ESTEC

KEY ISSUES FOR 2020
- Input to Horizon Europe (space related topic)
- Mapping of technologies of the EARTO WG Space
- JTI Space – STEPP
- ESA GCC model subcontract
- EU Space programme and Space Partnership

TECHNOLOGY ORIENTED WORKING GROUPS

WG Structural Funds

WG Security & Defence Research

WG MedTech

WG Space Research
Our Membership Categories are

- **Individual Members**: organisations established in member countries of the European Union or European Economic Area or in an “Associated Country” or intergovernmental organisations owned by multiple countries of the European Union or European Economic Area, in the meaning of the EU Framework Programme for Research and Technological Development. Individual members’ predominant activity is to provide research, development, technology and innovation principally to governments and the industry. They are public or private non-profit organisations. Individual members are managerially independent. The organisation is a legal entity or part of a larger non-profit organisation and has its own financial system (issuing its own financial statement, annual report etc.). EARTO services accessible: they receive all the services of the Secretariat without restriction.

- **Association Members**: not-for-profit national/regional/sectoral associations established in the European Union or European Economic Area or in an “Associated Country”, in the meaning of the EU Framework Programme for Research and Technological Development and whose members are predominantly organisations which meet the conditions for individual membership and whose membership is broadly representative of the industrial research and development, technology and innovation sector in the territory, sector or other sphere of activity of the said association. EARTO services accessible: Only the “Secretariat” of the association strictu sensu shall enjoy the rights of EARTO membership (i.e. an Association cannot send its members to participate to EARTO Working Groups).

- **Corresponding Members - RIN Members**: research and technology organisations which are established in countries which do not meet the geographic criteria of individual membership. EARTO services accessible to RIN Members: Newsletter service, participate to EARTO general events, can join one Working Group, do not have voting rights.

- **Associated Members**: individuals or organisations which do not qualify for membership of the Association and which by their activities, their financial contributions or other means, make a significant contribution to the fulfillment of the purpose of the Association. EARTO services accessible: Newsletter service, participate to EARTO general events, can join one Working Group, do not have voting rights.

Our Yearly Events

To foster networking between members and exchanges with external partners, EARTO organises a number of internal meetings (Executive Board, Steering Committee, Working Groups) and public events. Yearly public events include:

- One **Annual Conference** with some 250 participants, co-hosted by one EARTO member in its own country, rotating every year. In 2019, Finnish EARTO member VTT kindly hosted the event in Espoo.
- One **Policy Event** in Brussels discussing EU R&I Policy with some 250 participants, followed by the **Innovation Awards Ceremony** in the evening, where EARTO members compete for the prize for best innovation of the year (two categories: Impact Delivered & Impact Expected).
- **Innovation Schools**: EARTO launched in 2015 a new set of events, the Innovation Schools, specially dedicated to EU policymakers from EC, EP and Member States. This year, EARTO Innovation Schools focused on “the Next Cohesion Policy Programming Period” and on “Horizon Europe Implementation: Lump-sums, Unit Costs, System Audits and Other Key Financial Aspects”.

Our Daily EU Policy & Press Monitoring

- EARTO Newsletter, which includes outcome of Working Groups’ meetings, policy developments and reporting of events.
- EARTO website’s news section updated regularly with information from the monitoring of over 50 websites of EU Institutions and key press.
- Twitter (5,600 followers) & EARTO LinkedIn Group on “EU Framework Programmes-News and Views” (12,200 members).
- EARTO Members’ Area containing all EARTO newsletters, WGs documents and non-public policy documents gathered as a result of networking efforts.

Our Meeting Room & Flexible Working Space

Our meeting room is available to members for meetings of up to 12 participants under a small compensation (€250/day, lunch arrangements extra). Members needing a larger meeting room in Brussels are welcome to contact the EARTO Secretariat for assistance. In addition, EARTO has an extra one-person working space for its members to use whenever in Brussels.
**EARTO VISION**

A European research and innovation system without borders in which RTOs occupy nodal positions and possess the necessary resources and independence to make a major contribution to a competitive European economy and high quality of life through beneficial cooperation with all stakeholders.

**EARTO MISSION**

To promote and defend the interests of RTOs in Europe by reinforcing their profile and position as key players in the minds of EU decision-makers and by seeking to ensure that European RD&I programmes are best attuned to their interests; to provide added-value services to members to help them to improve their operational practices and business performance; to provide members with information and advice to help them make the best use of European RD&I programmes funding opportunities.