EARTO Welcomes the New EU Industrial Strategy focused on EU Industrial Ecosystems & Technology Leadership

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EARTO very much welcomes the European Commission’s Communication on “A New Industrial Strategy for Europe”. The Communication acknowledges and builds on the work done by both the High-Level Industrial Roundtable Industry 2030 and the Strategic Forum for Important Projects of Common European Interest (IPCEIs), to which EARTO actively contributed.

With this New Industrial Strategy for Europe, the European Commission proposes a new policy framework focused on European industrial ecosystems based on key enabling technologies. EARTO very much values such an approach, which is essential for EU Industrial and RD&I policies. As stated in EARTO Recommendations for EU RD&I Policies post-2020, an ecosystem approach fostering the development of innovation hubs along key industrial value chains would boost collaboration and co-creation in Europe. Research and Technology Organisations (RTOs) play a key role within these innovation hubs, and they should be given a clear mandate to stay in their driving seat. In addition, creating synergies and strengthening the mixed-funding schemes between the European (incl. Horizon Europe, Digital Europe), national and regional strategies (incl. with EU regional Funds) will be essential to support those hubs.

This New Industrial Strategy for Europe also recognises the crucial role of technology for EU industrial leadership and competitiveness. As noted in EARTO Paper on the EU Green Deal, technology developments and scale-up will be key enablers of the twin transition towards climate neutrality and digital leadership. EARTO also appreciates the European Commission’s support to the development of strategic infrastructures and place-based innovation and experimentation. Fostering the creation and the long-term sustainability of technology infrastructures in Europe is necessary today for the efficient implementation of the EU Industrial Strategy. This requires to 1) boost public & private investments in technology infrastructures and 2) ensure a good and sustainable funding mix, with European, national, regional support depending on the business model and target of the infrastructures. At EU level, the prioritisation of strategic investments in key unique-in-Europe technology infrastructures based on industry’s needs, gaps and opportunities is critical.

On the European Commission’s “making it happen” plans, EARTO very much welcomes:

- **The call for a swift agreement on the next Multi-Annual Financial Framework (MFF)** - An ambitious and timely agreement on the next EU long-term budget is essential to launch the key EU RD&I post-2020 programmes and policies on time, including Horizon Europe, the Digital Europe Programme, the Space Programme and the Defence Funds as well as Interreg’s Component 5. Boosting EU Investments in those programmes will enable to leverage private RD&I investments on the key technologies needed for Europe’s strategic industrial ecosystems.

- **The upcoming Communication on the future of Research and Innovation and the European Research Area** - The renewal of the European Research Area with a new focus on the development of a strong industrial base, where SMEs and midcap companies play a key role, is very much welcome. Addressing the technology development and diffusion challenges will also be essential to boost SMEs’ productivity and growth, in line with the twin transition.

- **The launch of public-private partnerships in the Horizon Europe Programme** - Supporting the continuity of public-private partnerships, as efficient instruments for excellent industry-driven collaborative RD&I in Europe is crucial. Trust between RD&I stakeholders within industrial ecosystems takes time to create, and trust is an indispensable element for those ecosystems to be able to face today’s challenges. Such continuity is necessary if Europe wants to capitalise on the investments that these partnerships already represent.

- **The creation of an open Industrial Forum** - The setup of a permanent high-level governance forum, including all key actors, will be crucial to coordinate investments in areas where individual actors alone cannot achieve the proper level of ambitions. This new Industrial Forum could also be charged to further look at directionality, synergies and interoperability between policy design, instruments and various funding sources.

- **The screening and analysis of industrial needs and the identification of ecosystems needing a tailor-made approach** - The monitoring of current investments and the development of new plans (via new IPCEIs, new industrial alliances or new public-private partnerships) should be further supported by the new Industrial Forum. The creation of key European alliances is the way forward to boost RD&I investments in Europe, coordinate EU RD&I initiatives (EU RD&I partnerships, research & technology infrastructures, regional smart specialisation, clusters, etc.), and boost EU capacities on key technologies. RTOs will play a key role to support the creation of such alliances by their industrial partners.
• **The planned revision of the state aid rules, including for IPCEIs, and the intellectual property action plan** - As noted in [EARTO Recommendations for EU RD&I Policies post-2020](#), efforts will be needed to improve our EU RD&I Framework conditions. Europe needs a strong European Intellectual Property (IP) regime, more standardisation efforts as well as updated state aid rules.

Those actions are essential to achieve the European Commission’s ambitious New Industrial Strategy for Europe. As key actors in the European innovation-driven strategic industrial value-chains, RTOs will be essential to carry out those actions. EARTO and its members are ready to further support the European Commission for the efficient implementation of this New Industrial Strategy.

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*RTOs - Research and Technology Organisations:* From the lab to your everyday life. RTOs innovate to improve your health and well-being, your safety and security, your mobility and connectivity. RTOs’ technologies cover all scientific fields. Their work ranges from basic research to new products and services development. RTOs are non-profit organisations with public missions to support society. To do so, they closely cooperate with industries, large and small, as well as a wide array of public actors.

**EARTO - European Association of Research and Technology Organisations:** Founded in 1999, EARTO promotes RTOs and represents their interest in Europe. EARTO network counts over 350 RTOs in more than 20 countries. EARTO members represent 150,000 highly-skilled researchers and engineers managing a wide range of innovation infrastructures.