

EARTO Contribution to the consultation on a possible successor to the CIP

Introduction to EARTO

EARTO is the European trade association of the research and technology organisations (RTOs), a non-profit organisation founded in 1999. RTOs are specialised knowledge organisations dedicated to providing R&D, technology and innovation services in response to the major economic and social challenges of our time. EARTO groups over 350 RTOs, with a combined staff of 150,000, an annual turnover of €15 billion, special equipment and facilities to a value of many € billions and more than 100,000 customers from the public and private sectors annually.

RTOs and the CIP

EARTO welcomes the opportunity to contribute to the debate on a possible successor to the CIP. Many EARTO members participate or have participated in CIP projects. RTOs have shown a clear interest in programmes supporting pilot and demonstration activities, and more generally, in programmes helping take R&D results to the next level.

EARTO conducted a survey of its members to help prepare its position on a possible successor to the CIP. The majority of respondents said that they liked the focus on innovation and demonstration in the CIP, as well as the small size of projects. However, RTOs' participation in the CIP is still below potential. Those RTOs who had not participated in CIP projects gave two main reasons for this:

- unfavourable financial conditions and rules for participation;
- lack of relevance for their organisation.

EARTO considers that one key condition for success for a possible successor to the CIP will be the simplification of administrative procedures and the alignment of rules for participation and funding rates with the ones in place in FP7. The Competitiveness and Innovation Programme must provide sufficient incentives to attract the best and most relevant players.

EARTO would also like the scope of the CIP to be expanded to cover new areas, such as transport, food, health or security. The current scope of the CIP is too narrow and there is a need for similar activities in other sectors.

Potential Merger between the CIP and the Framework Programme for Research

EARTO considers that there should also be greater synergies between the CIP and other R&D, education and innovation programmes, including the Structural Funds. All programmes should be used in a complementary manner to achieve the EU2020 objectives and implement the Innovation Union strategy.

The CIP is an amalgam of Community innovation-related initiatives with historical antecedents outside of the mainstream of European research policy. This should now change. We propose that key parts of the current CIP be merged with the Framework Programme.

Valuable research- and innovation-related components of the present CIP are its: (i) innovation policy measures (PRO INNO Europe, Europe INNOVA); (ii) subprogrammes providing financial support for the pilot implementation of new technologies (the Information Communication Technologies Policy Support Programme (ICT-PSP), the Intelligent Energy Europe Programme (IEE), and the Eco-Innovation Programme) as well as (iii) the SME financing facility administered through the European Investment Fund.

We propose that the financial support for pilot and demonstration activities presently provided by the CIP in certain application areas (ICT, Energy, Eco-Innovation) should be generalised across the whole of the future Framework Programme, with a commensurate increase in funding. In other words, FP-funded projects with promising results requiring further development in order to prove or demonstrate their practical application should have access to a financial facility tailored to this specific purpose. Such a "joined-up" programme would have the further advantage of allowing the Commission to point more easily to "success stories" coming out of its research programmes.

Such a programme could also integrate private funding mechanisms, through VCs and business angels, support for clusters and other supporting measures to overcome non-technical innovation barriers.

The total budget for this combined and augmented programme will have to be increased significantly. Without the necessary financial means, the programme will not achieve its objectives and the EU will fail to implement the Innovation Union strategy.