More research and innovation — investing for growth and employment

European Parliament resolution on implementing the Community Lisbon Programme: more research and innovation — investing for growth and employment: A common approach (2006/2005(INI))

The European Parliament,


— having regard to the Presidency Conclusions of the Lisbon European Council of 23 and 24 March 2000, which resolved to make the Union the most competitive and dynamic knowledge-based economy in the world,

— having regard to the Presidency Conclusions of the Brussels European Council of 22 and 23 March 2005,

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— having regard to the Commission Communication entitled ‘Investing in research: an action plan for Europe’ (COM(2003)0226),


— having regard to the Commission Communication entitled ‘Common Actions for Growth and Employment: The Community Lisbon Programme’ (COM(2005)0330),

— having regard to the Commission’s annual report on research and technological development activities of the European Union in 2004 (COM(2005)0517),


— having regard to the Commission Communication entitled ‘Implementing the renewed partnership for growth and jobs — Developing a knowledge flagship: the European Institute of Technology’ (COM(2006)0077),


— having regard to the European Innovation Scoreboard 2005 — Comparative Analysis of Innovation Performance which clearly shows that the United States and Japan are leaders in terms of innovation,

— having regard to the Expert Group Report of July 2004 entitled ‘Improving institutions for the transfer of technology from science to enterprises’,


— having regard to the report of January 2006, drawn up by the Independent Expert Group on R&D and Innovation appointed following the Hampton Court Summit, entitled ‘Creating an Innovative Europe’ (the Aho-report),

— having regard to its resolution of 10 March 2005 on science and technology — Guidelines for future European Union policy to support research (1),

— having regard to its resolution of 19 January 2006 on implementing the European Charter for Small Enterprises (2),

— having regard to its resolution of 14 March 2006 on a European information society for growth and employment (3),

— having regard to Rule 45 of its Rules of Procedure,

— having regard to the report of the Committee on Industry, Research and Energy and the opinions of the Committee on Culture and Education and the Committee on Employment and Social Affairs (A6-0204/2006).

A. whereas Europe lags behind the United States and Japan in terms of growth, research and productivity, failing to capitalise on Information and Communication Technologies (ICT) application or to attract R&D investment into Europe,

B. whereas increasing the resources available for R&D is a prerequisite for the successful innovation needed for economic growth and the creation of jobs,

C. whereas reports from the Organisation for Economic Co-operation and Development (OECD) show that R&D grants help firms with strategic change and organisational routines, and improve attitudes towards technology,

D. whereas while Europe’s best companies invest at world class levels, the private sector must make a greater effort in the area of R&D,

E. whereas the contributions of small and middle-sized enterprises (SMEs) to the development of new technology-based products and services and markets are dependent upon their capacities to innovate, increase their research efforts, outsource research, extend their networks, better exploit research results and acquire technological know-how,

F. whereas market innovation could benefit those European sectors which directly affect Member States’ citizens and account for the highest levels of GDP,

G. whereas support organisations such as training and research centres, financial institutions, innovation and intellectual property consultants and local and regional development agencies can help to maximise firms’ creative business potential,

H. whereas Europe’s weak labour market performance, inefficient use of human resources, market fragmentation and reduced labour mobility largely explain the poor progress made towards the Lisbon and Stockholm objectives,

I. whereas structural barriers and insufficient incentives prevent greater mobility of established researchers,

J. whereas European Technology Transfer Institutions and Innovation Relay Centres, allow faster commercialisation, a better dissemination of new technologies, the improved management of intellectual property, a better implementation of research results and better coordination with existing national and regional schemes,

K. whereas adoption of the ‘Open Innovation’ approach would boost R & D capacity in the EU,

L. whereas the Commission’s proposed research budget should not be back-loaded within the Financial Framework,

M. whereas a critical mass of EU budget resources for financial instruments is necessary, to enhance SME financing, tackle market failures and optimise Community resources, leveraging public and private capital,

N. whereas researchers need pre-seed finance in order to conduct market assessments, develop pilot and demonstration projects and working prototypes, for company start-ups and to commercialise new research products, and whereas venture capital is needed for subsequent company growth,

O. whereas State aid provisions should be simple, transparent and effective, used only as a last resort where the market fails, and granted on a temporary basis;

1. Urges Member States to promote entrepreneurship from the early stages of education onwards and to strengthen their support for life-long learning by actively encouraging ICT training amongst both employed and unemployed persons;

2. Notes the Union’s delays in implementing the Lisbon Strategy in the area of education and training; appeals to the Member States to take it on themselves to relaunch the Lisbon Strategy;

3. Stresses the need to raise the profile of scientific career paths and to promote existing incentives and awards such as the Descartes, Aristotle and young scientist’s awards;

4. Calls for greater support to be given to the best European researchers, especially early-stage researchers, in the form of more attractive working conditions, the reduction of legal, administrative and geographical barriers and the equal treatment of European researchers with their foreign counterparts;

5. Firmly supports the necessary objective of a single market for researchers, as set out by the Commission in its abovementioned communication on ‘Implementing the Community Lisbon Programme: More Research and Innovation — Investing for growth and employment: A common approach’;

6. Acknowledges that incentives to improve employment conditions for scientists and researchers and the ongoing training of the workforce are essential to encourage the sharing of scientific knowledge;

7. Believes that training establishments can make a major contribution in this respect and is convinced that, firstly, contact with science and research should commence at school, and secondly, it is necessary to promote creative collaboration between university research staff and the business sector; further considers that obstacles to researchers’ mobility should be eliminated by improving their status and career development, objectives which cannot be achieved without improving cooperation between Member States on taxation and the transfer of certain social benefits;

8. Supports the European Charter for Researchers and Code of Conduct for the Recruitment of Researchers, since these initiatives may encourage more European students to take up research at university while serving as an incentive to the best foreign researchers, who should be encouraged to pursue their research careers in Europe, either permanently, or temporarily as part of a cooperation agreement through a specific policy of granting short term visas;
9. Calls on the EU to combat effectively its brain drain and to put in place all appropriate measures to attract excellence to its territory, among other things by promoting exchange programmes with third countries — Erasmus Mundus, for example — aimed at students, researchers, and teachers; takes the view that a European qualifications framework would be important for helping to establish a European labour market open to researchers, and supports efforts to reduce obstacles to the latter’s mobility;

10. Notes the importance of fostering a culture which celebrates innovation; urges Member States to allow innovation policy to penetrate all areas of research;

11. Stresses the fundamental role of universities in creating and spreading knowledge and strongly recommends that their importance be enhanced by developing synergies between higher education, research, lifelong learning and the productive sectors within the economy; will therefore pay attention to the Commission report on higher education;

12. Urges the Commission and the Member States to institute and promote European prizes for innovation;

13. Stresses the importance of promoting the integration of products, processes and knowledge-based services and the introduction of different support systems into non-technological sectors; draws attention in this connection to the fact that non-technological innovation also encompasses social innovation and institutional innovation;

14. Proposes offering selected SMEs which show a particular flair for innovation and business creation limited additional research support for their ventures;

15. Recommends paying particular attention to ensuring the adequate participation of SMEs in R&D by taking concrete measures such as earmarking a portion of research funding for SMEs;

16. Points to the need to support SMEs with regard to their research capacity;

17. Urges Member States to create an innovation-friendly market for citizens and businesses, ensuring better regulation, standards, public procurement and intellectual property rights; urges the Commission to provide information on the protection of the intellectual property rights;

18. Takes note of the Commissions’ view that the EU must acquire a cost-effective, legally watertight and user-friendly system of intellectual property protection so as to attract technologically advanced companies; considers that the protection of intellectual property must not interfere with open access to public goods and public knowledge; urges the Commission to promote a socially inclusive knowledge-based society by supporting, for example, free and open source software and licensing concepts like the General Public License (GPL) and the Public Documentation Licence (PDL);

19. Notes the need for regional info-points for the coordination of relevant information regarding research and innovation;

20. Proposes the revised use of standard-setting powers to demand high technical performance levels and quickly reach agreement on new standards;

21. Proposes the Europeanization of national clusters, conglomerates, co-operatives and consortia to increase competitive power and critical mass, including multidisciplinary research, mature industries and start-ups;

22. Recognises the importance of creating poles and zones of innovation at regional level and of their networking with corresponding structures in other regions and Member States or third countries;

23. Urges clear target setting in the creation of centres of excellence, all of which should have creativity labs;

24. Notes the need for a Community patent and trademark, and for improved reciprocity between the European, United States’ and Japanese patent systems; stresses that an integrated Community patent system based on democratic legal standards must be part of an innovation strategy, in which it is essential to ensure a balance between protection of industrial property, dissemination of technical knowledge and free and unrestricted competition; underlines that the purpose of the protection provided by a patent is the safeguarding of an invention and not the controlling of market sectors;
25. Asks the Council to end the stalemate over the proposed Community patent as far as the language regime is concerned;

26. Draws the attention of the Commission and the Member States to the recent changes concerning the protection and dissemination of scientific know-how, to the success of scientific reviews published with free access and to the ‘Science Commons’ licence;

27. Urges the Commission to create a general reporting system to monitor indicators such as revenues from contract research, patents filed and granted, licences and revenues from licensing, the number of active contracts, the number of client enterprises (including SMEs) and the number and development of spin-offs, with qualitative interpretation;

28. Urges Member States to help put institutes for applied research in closer contact with industry, incubators and neighbouring science or industrial parks, enabling them to achieve critical mass;

29. Notes that key European sectors continue to suffer from poor coordination and integration, bottlenecks, and poor knowledge management; notes that more SME involvement in European technology platforms would help address these issues;

30. Stresses the need to support researchers in accessing pre-seed financing which would enable them to fund activities aimed at proving to investors that a new technology has a certain level of commercial and technical viability;

31. Expresses its concern that, even if the vital importance of promoting technological research and innovation is recognised at European level, results obtained within the EU will be limited in terms of funding, performance and capacity utilisation;

32. Notes the importance of creating spin-offs as a means to commercialise research results, and, in particular, the importance of providing credit facilities for this purpose;

33. Stresses the need for a more developed system of public-private partnerships to improve the quality of research by providing up-to-date equipment, infrastructure and services;

34. Welcomes the important role of business angels in providing otherwise unavailable investment to innovative firms, especially SMEs;

35. Notes that eco-innovation, in particular methods of boosting energy efficiency, offers competitive advantages to European companies;

36. Notes that individually negotiated loans and grants, where the precise form of the instrument is determined in close contact with customers, will lead to the effective use of funds in terms of volume and time-to-market, focused on real needs;

37. Notes that adequate venture capital is necessary for the creation, growth, boosting and bringing together of research and innovation amongst new entrepreneurial firms;

38. Urges the Commission, in cooperation with the Member States, to provide SMEs with a framework of structural assistance to upgrade their knowledge management and technological resources, enabling them to play an active role in a demand-led innovation market and become actively involved in technological research and development;

39. Observes that it is necessary to provide SMEs with improved access to funding;

40. Supports the idea, endorsed by the March 2006 Brussels European Council, of easier and wider access to loans from the European Investment Bank for businesses, particularly SMEs which are most in need of encouragement in the field of innovation and research;

41. Proposes that structural funds should be seen as a key means of supporting research and innovation capacity, especially in the pursuit of cohesion; proposes a trebling of the amount of structural funds to be spent on research and innovation;
42. Notes that using public procurement to foster research and innovation is key but that it should not distort competition or favour major market players;

43. Considers that public procurement should not be limited to providing private investment inducements but should play a strategic role, inspiring companies to promote innovation and acquire fresh know-how;

44. Recognises that networking between SMEs and large contractors from both the private and the public sector can play an important role in reinforcing innovation; emphasises that public provision of innovative products at both national and Community level can help to fill gaps in the market and promote innovative products and services in general;

45. Commends the sweeping reform of the EU’s State aid rules, shifting subsidies from big, ailing companies to small and innovative businesses;

46. Notes that flexibility and transparency are prerequisites for innovation;

47. Considers it necessary to find a wider range of ways to secure investment in research equipment;

48. Proposes the implementation of a tax credit system to encourage the service sector to take an interest in research findings and their implementation;

49. Proposes a ‘single fund structure’ to avoid the double taxation of investors located in one Member State investing through a fund in another;

50. Emphasises the need to examine whether the current structures and mechanisms with particular expertise in innovation are adequate to ensure a broad approach to innovation and able to promote it by contributing to a better coordination of action and policies;

51. Asks the Council to report annually to the European Parliament on the trends in investment from national budgets in public research (the objective being 1% of GDP);

52. Notes that the objective of investing 3% of EU GDP in research by 2010 will probably not be achieved; regrets that at the March 2006 Brussels European Council the Member States did not make firmer commitments in favour of research and innovation; regrets that they did not fix a minimum target for increasing public aid in 2010;

53. Believes that Community instruments such as the i2010 strategy, the seventh Framework Programme for research, technological development and demonstration activities and the Competitiveness and Innovation Framework Programme can contribute to bridging the gap between research findings and financial gain;

54. Stresses that improved research and innovation policies must contribute to new employment opportunities through sustainable development, with a focus on eco-innovation and sustainable production (e.g. solar-hydrogen technologies, wind energy, fuel cells, biomass, plant based chemical industry), eco-efficient services (energy conservation, mobility services, re-use and recycling) and sustainable engineering and management methods (e.g. bionics, Integrated Product Policy);

55. Welcomes the Commission’s recommendation that within the framework of the ‘Better Regulation’ initiative, the impact assessment should include assessments of the effects of recommendations in the field of research and innovation;

56. Calls on the Member States to make better use of the European funds allocated to them and draws attention to those Member States which have put job creation at the heart of their plans by investing more than 35% of the appropriations from the European Social Fund in the modernisation of their education and training systems;

57. Instructs its President to forward this resolution to the Council, the Commission, and to the governments of the Member States.