



## Summary: Overcoming the Innovation Divide in Europe: perspectives and possibilities

2 June 2015

On May 28<sup>th</sup>, a high-level seminar and a panel discussion “Overcoming the Innovation Divide in Europe: perspectives and possibilities” took place in the Permanent Representation of Estonia to the EU. Members of the European Parliament and representatives from the European Commission, academia and industry discussed the trends and opportunities for closing the gap in innovation capacity between Member States as well as the regions of the EU. The event was organized by the Estonian Research Council and the Estonian Ministry for Education and Research.

The seminar was opened by Mr Jürgen Ligi, Minister for Education and Research of Estonia. He stated that every Member State needs to do their homework and master the use of structural funds for the use of R&D. “Europe should not be satisfied with the situation, in which a large majority of the EU R&D funding is concentrated in certain regions. The Innovation Divide harms the competitiveness of Europe and hinders its potential.” He concluded that in order to reduce the innovation divide in Europe, the Interim Evaluation of Horizon 2020 should include the assessment of possible participation barriers for small universities, research institutions and companies.

Member of ITRE Committee at the European Parliament, Mr Christian Ehler (EPP) was critical on the provisional agreement on the EFSI (European Fund for Strategic Investments) regulation, stating that the 2,2 billion cut from Horizon 2020, happening just 1,5 years after its launch, transmits a „terrible signal“ to European SMEs and universities. He emphasized that the cuts lead Europe to fall even more dramatically behind Asia and the US in innovation investments, with the „Europe 2020“ strategy goal to raise EU investments to research and innovation to 3% GDP average by 2020 now out of reach. He added that while Horizon 2020 could help to reduce the gap in innovation performance, the Member States need to maintain the program’s budget first.

Fellow panel members, MEP Marju Lauristin (S&D), and Estonian IT-visionary Mr Linnar Viik saw a need for more bottom-up and flexible national and European innovation policies. „Europe needs disruptive innovation, especially in new technology sectors with high added value, like ICT and materials“. Mr Viik said. „Start-ups and SMEs from all Member States could benefit from more support to product commercialization and marketing activities. The question is how to support products and services that have yet not been created?“



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Mr Dimitri Corpakis, Head of the Spreading Excellence and Widening Participation Unit in DG Research and Innovation at the European Commission, said that the innovation divide cannot be tackled only with the measures foreseen in the European Budget. Countries have to work seriously on structural reforms as outlined at the last exercise of the European Semester, namely improve quality of public investment in R&D and innovation, substantially restructure the science-business links and making the investment environment far more attractive than it is today. The combined efforts of Horizon 2020 and the ESIF in a context of Smart Specialisation can bear fruit in an appropriate environment. He added that provisions exist to revise the budget of Spreading Excellence and Widening Participation in the light of the Interim Evaluation of Horizon 2020 but this is entirely in the hands of the Member States and the European Parliament. The interest towards the widening activities can however be considered a success.

In his keynote presentation, Professor Andrea Bonaccorsi supported the idea of building research excellence and innovation capacity through Cohesion funds. He stressed that research and innovation funding cannot be considered as a stand-alone policy, with the employment conditions, access to markets and resources having a significant effect for stakeholders as well. Fewer European universities are leading world class research in fields that have the highest potential in science-business linkages (namely ICT, life sciences and materials science) and European industry is still too specialised in sectors which grow only slowly (or not at all). Thus EU and Member States face the challenge of not only supporting the „incumbent“ sectors and companies, but allowing European researchers and new companies to compete in radically new technology areas.

Dr Špela Stres, Head of Centre for Technology Transfer at the Jožef Stefan Institute in Slovenia, said that effective knowledge transfer policies need to be tied with market success indicators and with a clear target on case-by-case technology commercialization, taking advantage and giving opportunities to initiatives of researchers and serving the needs of the interested companies at the same time.

Ms Evelyn Smith, Head of Enterprise Ireland's Brussels office, presented how a focused cross-sectoral and cross-institutional innovation strategy has lead to effective support and success for Irish SMEs and universities in Horizon 2020.

For more information about the seminar and presentations by Prof Bonaccorsi, Dr Stres and Ms Smith, please contact:

Mr Vallo Mulk, Head of Office, Estonian Liaison Office for EU RTD, [brussels@etag.ee](mailto:brussels@etag.ee)

**We would like to thank you for joining us in the event, and hope to meet you in the upcoming events!**



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