

Keynote speech by Danuta Hübner

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"Unveiling the mystery: What Cohesion Policy can do for Europe's research infrastructure"

Slovene Presidency Conference

"Research Infrastructures and their Structuring Dimension within the European Research Area"

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Minister KUCLER DOLINAR, Ladies and Gentlemen, Dear Friends

Europe needs excellent research and research infrastructures to stay competitive in a globalised world.

I believe most of you present today will agree with this statement. However, infrastructures alone are not enough to innovate and be competitive, in particular if these infrastructures do not have the critical mass – both in quantitative and qualitative terms - necessary for top-level research.

Nor is research enough to innovate and be competitive. The results of the scientific efforts need to be translated into applications and developed into new products, services or processes that will capture the attention of customers around the world.

I think these few sentences denote already the complexity of the matter and the essence of my speech.

We want Member States and regions to stay at the forefront of the world of research over the next decades. To this end, it is not enough that we cooperate intellectually. There is also a more down-to-earth dimension. We also need a new generation of world-class laboratories, instruments and infrastructures for fundamental research. Yet, the necessary investments are so large that they often exceed the financial capacity of a single Member State or region. Therefore joint efforts are required, bringing together EU, national, regional and private funds.

It is obvious that different EU policies need to work together to ensure that Europe remains a global player – a leading one - in the world of research. Synergies count - I will come back to this later. But let me say

that from day one of my work as Commissioner for Regional Policy I have worked closely with Janez Potočnik, Commissioner for Science and Research, to truly exploit the synergies of the two policies. I will try to show you today how EU Cohesion Policy can contribute:

We have reoriented EU Cohesion policy in the new programming period 2007-2013. EU Cohesion policy is now the Union's main investment instrument to take the Lisbon Strategy for growth and jobs forward.

To this end, we have increased the strategic focus of our policy and consistency with the Lisbon Integrated Guidelines.

Member States were asked to "earmark" the major part of cohesion policy measures for investments with the potential to contribute significantly to the Lisbon objectives of more jobs, growth and competitiveness. Across member states and regions the results of this earmarking exercise have been encouraging. The less developed regions, the "Convergence Regions", will invest 65% of the funds in Lisbon-related objectives and regions falling under the "Regional Competitiveness and Employment Objective" 82%. These percentages, though, vary significantly both across Member States and regions: in convergence regions from 90% in Austria to 45% in Malta; in competitiveness regions from 92% in Denmark to 50% in Hungary.

The new regional policy programmes put particular emphasis on investing more in knowledge and innovation. Let me highlight that the negotiation process played an important role here. There are many examples of Member States and regions where priorities looked different at the beginning and the Commission managed to open minds in the course of the negotiations and get more commitment for such investments. I am pleased to say that investments in R&D and innovation

almost quadrupled in our operational programmes compared to the programming period 2000-2006. They are planned to amount to more than €99 billion. This is almost twice the entire FP7 budget [of over €50 bn].

Half of this amount – about €50 billion - will be invested in improving innovative capacity in business, by supporting technological transfers and cooperation networks, as well as R&D and eco-innovation (technologies and products).

The other half is shared between support for the diffusion, use and the development ICTs; support for business start-ups and self-employment; the development of skills; and the promotion of a more flexible and adaptable workforce. Investing in excellence has become a crucial element at all levels of education and training.

As I said in the beginning, what counts to make Europe more innovative are synergies: To begin with, synergy lies in having complementary policy objectives. And secondly we need to talk about it.

So, first, we need to better coordinate EU policies. We need to find new ways to enhance national and regional R&D and innovation capacities. We need to make better use of existing RTD potential. The Commission works to foster coordination between its different innovation and research related programmes and policies. In this context, let me recall our Communication "Competitive European Regions through Research and Innovation" of August last year, where we underlined the potential and need for synergies. And we did it jointly between three Commission services.

It helps little, though, if EU programmes in support of research and innovation are strongly complementary but people simply do not know

about them. That is why we need to improve communication as a second element. What is equally important, of course, is that the players among themselves cooperate, communicate and ensure transparency - at all levels and across departmental barriers.

That is why the Commission has come up with a new "Practical Guide" in EU funding for research and innovation, to help researchers and other interested parties to find their way through Europe's funding "maze". Researchers and entrepreneurs are only rarely aware of the variety of financial support from EU programmes. This guide will be presented in more detail at this conference. At this point let me only say that you will be given ample opportunity to comment before it is finalised.

And this brings me finally to the core topic of this conference: Research infrastructure.

Research infrastructures are prime example for the complementarity of support offered by the different programmes and instruments: the Research Framework Programmes can support access to existing infrastructures and the planning and design of future infrastructures. The FP7, however, does not support their construction. That is the responsibility of Member States.

And that is where European Cohesion Policy can play a role. Its financial instruments can be used to actually build and equip such research infrastructures and also provide technical assistance for their planning.

I am pleased to say that Cohesion policy programmes do co-finance research infrastructure projects: So far, in the new programmes some €10.4 billion are tagged for investments in R&D infrastructure and centres of competence in a specific technology. This is a substantial

resource. In fact, it is three times the amount invested in the period 2000-2006 and equals one fifth of the FP7 budget.

But there is more good news, money-wise. Our regional policy approach is bottom-up. It allows us to involve all relevant expertise in the design and implementation of programmes. It helps universities, research institutes, businesses and local authorities to identify where to focus and to cluster their efforts. This partnership proved an ideal way to leverage additional public and private investment and thus to maximise synergy and "critical mass" effects. For instance, the €3.1 billion cohesion policy investments in research infrastructures in 2000-2006 triggered an additional €2.3 billion in national or regional co-financing, i.e. an additional 73%. We expect this effect to be even stronger in 2007-13.

Yes, money matters but we say that money is not all that counts. One important aspect is whether our actions meet your needs. In a public consultation on the future of the European Research Area in 2007, Member States expressed very strong support for EU level infrastructure measures for R&D. Some called for spreading large-scale R&D infrastructure projects in a regionally balanced way across the EU, including the less developed countries. And several Member States proposed to open national and regional public research infrastructures to researchers from other countries.

I am pleased to say that our research infrastructure measures address these concerns: Some 80% of the R&D infrastructure investments will take place in Convergence regions. Moreover, the cross-border aspect is emphasised. Some €146 million are planned to be invested under the European Territorial Cooperation objective (representing some 2.5% of

the entire Cohesion budget) in better exploiting the potential of research infrastructures across borders.

To give you an example of cross-border utilisation of research infrastructure: The Slovenia-Austria cross-border programme tagged €1.2 million for R&D infrastructure and centres of competence in a specific technology. The idea is to mobilise the big cooperation potential of universities and research centres. The region has a high-quality infrastructure in the fields of science, technology and research with a number of competence centres in Austria and eight centres of excellence in Slovenia. The institutions on both sides will use their comparative advantages regarding knowledge, facilities and even costs. The support comprises both the process of building cooperation and the implementation of joint projects which are in common interest of the cooperation partners.

Another important aspect with regard to exploiting the "structuring dimension of research infrastructures" as indicated in the conference title is governance. Cohesion policy is not only about funding, which is a common misconception outside regional policy circles. It is about enabling public authorities to implement medium and long-term programmes for economic and social modernisation. Research and innovation are central but must be integrated in a broader policy mix.

And this leads me to the biggest challenge: How to link the bottom-up approach based on regional needs and assets with national and EU level research initiatives. To this end, it is important for cohesion policy managers to be fully involved in the design and implementation of research policy strategies of the Member States.

Ladies and Gentlemen, let me conclude with a few general remarks.

I am convinced that research and innovation is central to European growth and competitiveness, and that therefore we cannot afford to limit R&D investment to only a few leading regions. But research and innovation within the EU is unevenly distributed and highly concentrated in only a few regions: for example investment in research is practically zero (0.2%) in Severozapaden in Bulgaria while the other extreme is Braunschweig, Germany, with R&D investment of 8.7% of regional gross value added (2004), which is far above the community average of 1.84% (2005).

In our EU policies we need to achieve a good balance between fostering existing centres of excellence and enabling new ones to emerge. If we do not do this, we will reinforce disparities. If we manage to strike the right balance - which is difficult, I admit - we help the Union as a whole to push outward its intellectual and economic capacity frontier.

Thank you for your attention.