

ERRIN New Year Lecture 24 January 2011

Gerard de Graaf – what makes countries successful? They have a plan!

This was a key message from Gerard de Graaf, the recently appointed Head of the new Innovation Unit in DG Research and Industry in the ERRIN New Year Lecture held at the new House of the Dutch Provinces office in Brussels in front of a packed and attentive audience of 80 members and friends of ERRIN.

Juan Manuel Revuelta, Chair of ERRIN, introduced Gerard de Graaf highlighting his impressive track record in the European Commission and likening Gerard de Graaf's pragmatic and focused style to that of the ERRIN network.

In his 30 minute presentation, Gerard de Graaf stressed that the recent change of name of DG Research to Research and Innovation had a clear political message to indicate the importance of the innovation agenda for Europe. An importance illustrated by the focus on innovation in the European Council discussions on 4th February. This change had a dual aim of spreading innovation throughout Europe as well as DG Research and Innovation. This should result in a significant difference to the 2012 and 2013 work programmes for FP7.

The importance of innovation is highlighted by the EU's recent Annual Growth Survey published in January which predicts a 1.5% growth rate for Europe until 2020 which is not enough to defend the European social and economic model. If we want to increase this growth rate then innovation is the way forward. A recent OECD study has indicated that innovation accounts for over 50% of productivity growth.

If innovation is the answer then we need to identify the bottlenecks that are hindering innovative activities in Europe. One key problem is the under investment in research and innovation. Europe has still to reach the 3% target for R&D investment due mainly to a lack of private investment in research. Fragmentation remains a major problem and if we spend less then we need to spend better.

These challenges and the responses are identified in the Innovation Union flagship initiative that was published in 2010. There is no time to waste. The forthcoming Innovation Scoreboard will show that Europe is no longer catching up the USA and Asia and China is predicted to overtake Europe in R&D spend in 2016.

When we analyse why the USA and Asia are still ahead of Europe, we note that they have strategies which they implement. Innovation must become an overarching approach not just a sector. We need to gear all policies to innovation with high level buy in at the CEO level. Innovation is too important to be delegated.

This is why the European Council is now taking a clear interest in promoting the innovation agenda alongside fiscal consolidation. Europe needs ‘smart fiscal consolidation’ to increase R&I spending in a counter-cyclical manner as France and Germany have done.

Alongside the increased spend on R&I, Europe needs to improve the framework conditions for innovation. More and quicker standardisation so Europe can lead as we have done in GSM. Better procurement learning from the USA in pre-commercial procurement and the involvement of SMEs. Better access to funding and an easier IPR regime.

All these measures are important but it still leaves the question of why some regions and countries are more successful than others in developing innovative products. Gerard de Graaf returned to the necessity of taking a strategic approach which is tailored to regional competences. Regions must analyse what they are good at. In every region excellence in some sector can be found. But is the region exploiting these competences efficiently? More attention needs to be focused on how EU funding is spent and how this contributes to success. This will mean future synergies between the successor programme to FP7 (not FP8!) and attention to providing excellence in all regions on the building blocks of success – education, infrastructure and an efficient business administration.

ERRIN thanks Gido ten Dolle from the Randstad region for his support in organising this event before the official opening of the House of the Dutch Provinces and wishes him every success in his new role in Dordrecht.

ERRIN is a Brussels-based network whose aim is to improve regional capacities in research and innovation by exploiting European funding opportunities in research and innovation, developing projects amongst member regions, shaping research and innovation policy at the European level and raising the profile of regions in Europe.

Founded in 2001 as an informal network, ERRIN is now a dynamic and respected subscription based network comprising over 90 regions most having a representational office in Brussels. ERRIN members collaborate on a regular basis via nine thematic working groups led by regions and two working groups dealing with policy and projects.

More information on ERRIN:

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