# Implementing the Community Lisbon Programme: more research and innovation, investing for growth and employment

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PURPOSE : to present a common approach to more research and innovation within the framework of implanting the Community Lisbon programme.

CONTEXT : In launching the new Lisbon partnership for growth and jobs, the European Council singled out knowledge and innovation for growthas one of three main areas for action.The 2002 Barcelona European Council set the goal of raising overall research investment in the EU from 1.9% of GDP to approach 3% by 2010, increasing the private funding proportion from 55% to two-thirds. The 3% objective and the follow-up Action Plan for more investment in research have had a mobilising effect on Member States. Nearly all have set targets, which – if met – would bring research investment in the EU to 2.6% of GDP by 2010. However, instead of rising, EU research intensity is more or less stagnant.

World-wide competition to attract research and innovation investment is growing. In addition to attractive locations such as the US and Japan, new competitors have emerged, such as China, India and Brazil. For the EU to remain competitive and sustain its model of society, far-reaching reforms are needed urgently. Moreover, the scale of competition is such that no Member State can succeed in isolation. Transnational synergies should be fully exploited. This is the only way to boost research and innovation performance and to turn it effectively into more growth and jobs in the EU. A high level of R&D spending and a good innovation performance contribute to more and better jobs. In addition research and innovation are needed to make the EU economy more sustainable, by finding win-win solutions for economic growth, social development and environmental protection.

CONTENT : This Communication builds on the Partnership for Growth and Jobs. It addresses the full research and innovation spectrum, including non-technological innovation. It makes explicit the commitments taken by the Community Lisbon Programme, by detailing the measures in support of research and innovation that will be undertaken and that were described there in general terms. It outlines ambitious actions, reaching beyond the 3% Action Plan and innovation policy to date8. It strengthens the links between research and innovation, with research policy focusing more on developing new knowledge and its applications and the framework conditions for research, and innovation policy focusing on transforming knowledge into economic value and commercial success. In line with the Commission’s better regulation approach, measures with a potential impact on competitiveness will be subject to an impact assessment.

The Action Plan proposed by the Cmmission is comprised of 4 headings and 19 actions:

1) **Research and innovation at the heart of EU policies:**

- Better regulation for new technology;

-Redeploying State aid towards research and innovation;

-Improved efficiency and use of intellectual property;

-An attractive single market for researchers;

-Using public procurement to foster research and innovation;

-Better and wider use of tax incentives.

2) **Research and innovation at the heart of EU funding:**

-Mobilising public and private resources for key technologies;

-European Structural Funds to drive research and innovation;

-Improving SME access to finance;

-Mobilising national programmes and other sources of funding for European research and innovation.

3) **Research and innovation at the heart of business:**

-Intensified university-industry partnerships;

-Innovation poles and research-driven and industrial clusters;

-Pro-active business support services to stimulate research and innovation;

-Innovation management and social change;

-The potential of innovative services;

-Establishing a European Industrial Research and Innovation Monitoring System and improving intellectual capital reporting.

4) **Improved research and innovation policies:**

- Research and innovation as a priority of the National Reform Programmes for growth and jobs;

- Improved policy analysis instruments;

- Support to policy learning and cooperation 9European platforms to share and validate good practice).

The Commission concludes that the National Reform Programmes, developed within the new Lisbon partnership for growth and jobs, should fully embrace research and innovation challenges. Focused Community financial support for research and innovation activities of European interest, guidance for coordinated policy development, and improved platforms for mutual learning, in all areas where transnational cooperation offers strong added value, will support the NRP. In this way, a truly European

Research and Innovation Area will develop, building upon the specific strengths of Member States and their regions.