



European Commission

Making EU governance more innovation-friendly

Published on: 13/04/2015



A concrete plan for economic growth and success in the EU Member States has been etched out in a blueprint by the independent tripartite High Level Group (HLG) working on Innovation Policy Management.

 The key to sustainable growth and development lies in challenging old economic and social paradigms inherited from the 1950s and in addressing the digitalisation of the economy and society with innovative governance. The second report by the group, a blueprint called: *The way Forward to Improve People's Lives. Inspiring and Completing European Innovation Ecosystems*, proposes how to foster growth and innovation in Europe with a series of hands-on recommendations for policy-makers. The recommendations are divided into three parts. The first focuses on how best to shape the EU Innovation Ecosystem, the second deals with social innovation and the third part focuses on making EU governance more innovation-friendly.

Innovation ecosystem

The HLG asks that Intellectual Property Rights (IPR) go beyond the sheer patent system, striking a balance between protecting knowledge and disseminating it. It also advises a more inventive approach to sustainable growth based on resilience in ecosystems, with a focus on research and innovation and collaboration between stakeholders. Broadening Research & Development (R&D) funding, Public Private People Partnerships (PPPPs) and Business University Partnerships (BUP) funding is advised. A wider variety of financial support, better use of existing funding and a tax policy to stimulate innovation is also recommended.

Socially acceptable

While benefitting many, innovations can create disruptions unsettling others, creating uncertainty and resistance among sections of society. Therefore, corporations and governments share a common concern for healing and out-balancing any potential undesired social effects. To tackle this problem, the HLG suggest including and enlarging 'social innovation' in EU Innovation Policy Management Schemes. Next to communicating the beneficial effects of innovation,

innovating education at all levels and stimulating entrepreneurship and social responsibility are elements to make innovations more socially acceptable.

Innovation-friendly

The blueprint ascertains that the traditional EU system of governance is not always prone and conducive in innovation policy nor adapted to the digital age. Between the traditional community method and open method of coordination, new instruments are needed for innovative collaborative governance, the blueprint states. The ideas and options do not require treaty changes, though it is declared that a review of the division of competences between EU institutions and Member States as well as between private and public actors may be unavoidable.

The practical options put forward involve interdependent elements for improvement. They are: the regular use of European Council meetings for a comprehensive discussion of a citizen centred theme; measures to reduce the innovation divide in the Single Market and assistance in building national innovation ecosystems; measures to radically improve policy coherence and impact assessments, through the design and implementation of new models for impact assessments; the option to create a EU Commission Vice-President without portfolio, responsible for strategic collaboration, mentoring and coherence in Innovation Policy Management; the regular discussion of innovation ecosystems' development in joint and inclusive Council meetings; a review of the 'comitology' procedures and a rapid and significant reduction of regulatory rigidities and costs.

Innovation ecosystems

The first report of the HLG had recommended developing and completing innovation ecosystems. These are social environments offering an all-encompassing and coherent policy strategy regarding innovation, involving the public, business and academia spheres. They are based on a highly-focused division of labour between all the players involved and create value for society via enhancing the quality of life of its citizens and the competitiveness of its enterprises.

The HLG began from an initiative of the Polish Council Presidency in 2011, was continued by the Irish Presidency and completed by the Italian one. It brought together senior European and national officials, managers from innovative companies and prominent scholars, operating under the Chatham House Rule. They underlined the need for innovation competitiveness and a strong entrepreneurial spirit in Europe, if a new period of prosperity for its citizens was to be launched.

More information is available online at

www.highlevelgroup.eu