

XXVII MINISTERIAL CONFERENCE - COMMUNIQUE MADRID, 30 JUNE 2017

At the invitation of Spain, Ministers and Representatives from 40 EUREKA member countries together with four Associated Countries and the European Commission met in Madrid on June 30th 2017, for the XXVII Session of the EUREKA Ministerial Conference, chaired by Mr. Luis de Guindos Jurado, Spanish Minister of Economy, Industry and Competitiveness.

The future of EUREKA in a nutshell

In summary, Ministers have decided that, in view of EUREKA's long experience in promoting innovation within Europe and the success of its more recent outreach to the rest of the world, the initiative should refocus its activity in the coming years along two main axes:

- Reinforcing the global element of its work by adopting the “**Strategy for EUREKA Internationalization 2025**”, with the objective of making EUREKA the preferred tool for European industry to cooperate globally in R&D.
- Strengthening synergies with other actors, and especially with the European Union, in order to reinforce its contribution more generally to the **European innovation space**, and in particular to the European Research and Innovation Area (ERIA), the 9th Framework Programme (FP9) and the future European Innovation Council (EIC).

A new step forward for EUREKA

Ministers recognize that Europe is now facing decisive challenges that will determine the future of our peoples for several generations.

Initiatives are needed that offer a path to sustainable growth and the generation of high quality employment, in order to guarantee greater welfare and purchasing power for

the people of Europe, in turn creating a virtuous circle of demand for innovative goods and services, wealth creation, availability of both public and private capital, and demand for even greater innovation.

There is a considerable risk that Europe will lose growth potential if the drivers of such growth are not reinforced. This challenge must be taken up through policies that generate technological momentum and ensure higher added value for European products, services and technologies.

Europe, the world's leading producer of scientific knowledge, must be able to transfer that knowledge effectively and efficiently to industry. The so-called 'European paradox' must end once and for all.

Traditional technology giants like the United States of America and Japan have now been joined by a plethora of newcomers competing energetically with Europe. Today's reality calls for openness, in order to get the best talent and partners to jointly develop and sell our products and services all around the world.

Smart reindustrialization is essential, based on technology innovation and driven by enterprises in cooperation with Research and Technology Organisations and public stakeholders. Several initiatives are addressing this, notably the reinforcement of innovation support within H2020 and the upcoming creation of the European Innovation Council, both aiming to stimulate bottom-up innovation projects.

EUREKA has been working in this manner for more than 30 years, establishing itself as a framework of reference for innovation stakeholders in Europe and facilitating collaboration initiatives between them and with the European Commission. Its bottom-up approach and variable geometry; its experienced, professional and lean organisation and its agile self-governing and intergovernmental procedures give this initiative a natural, pivotal position in European innovation policy.

At EUREKA's heart is cooperation among countries and among organisations, and this confluence of interests has been one of its key success factors. Moreover, it is a unique platform for companies that want to cooperate with organisations across Europe and across the world.

It is a fact that EUREKA is reinforcing the innovative capabilities of European firms and their market performance, generating employment in our economies. According to a study carried out during the Spanish Chairmanship, the main motives for firms participating in EUREKA projects are the opening up of international cooperation and the creation of new business opportunities. Significantly, EUREKA has an impact on employment growth in EUREKA companies by 4% and in sales revenues over 12%.

Being determined to strengthen the competitiveness of European industry in an increasingly globalized landscape, Ministers endorse the following strategic axes for the future of the initiative:

A.- EUREKA as a platform for international cooperation in a global context

Ministers recognize that:

- A key characteristic of the current international landscape on R&D&I is the entry of new actors to challenge Europe and the United States as global drivers of R&D.
- The global distribution of R&D expenditures has consequences for the generation of knowledge: Europe is still a global leader in knowledge production, but changes in these patterns mean new competitors and also new opportunities.
- International cooperation is one of the main ways to secure access to knowledge, capacity, resources and skills around the world and hence to improve the performance of national innovation systems.
- EUREKA has long proved its value to innovative firms wanting to cooperate with European partners, and confident new actions such as the development of Associate Country status and Globalstars calls have extended EUREKA's scope beyond Europe. All of these initiatives have demonstratively reduced the risks and costs associated with international cooperation, opening new opportunities for European firms to access talent and to take advantage of new markets all around the world.

Ministers therefore welcome and endorse the **“Strategy for EUREKA Internationalization 2025”** and its objective of making EUREKA the preferred tool for European industry to cooperate globally in R&D&I.

EUREKA, originally conceived as an instrument to reinforce the internal European market through technological cooperation, will now adapt its role and organization to the global scenario where European firms operate, supporting their competitiveness strategies. As a European initiative, EUREKA should focus this work on those countries with existing commercial agreements with Europe, facilitating R&D&I projects with partners from those countries.

From a strategic perspective, the essential goal is to support the internationalization of European industry, widening the scope of EUREKA, but maintaining its European essence and reflecting the perspectives and interests of European companies and the values and ethics of European societies.

Within this Strategy, Ministers have decided that three measures shall be undertaken:

- **To establish a new status: of ‘EUREKA Partner Country’** that recognises Associate Countries that have made a significant contribution to the EUREKA network, and allows them to become permanent and strategic partners within the EUREKA initiative. There will be nothing automatic about this process. Partners will be selected according to a rigorous case-by-case assessment while ensuring the proper operational functioning of EUREKA. Moreover, EUREKA Partner Countries shall pursue active market economy policies, and establish appropriate framework conditions including export and non-proliferation control arrangements and proper protection of industrial and intellectual property rights.

The permanent nature of this new status will mean European companies can count on a stable cooperation framework when designing their medium- and long-term innovation strategies.

Given the exceptional performance of the Republic of South Korea during its long period as an Associate Country, and considering its close links with Europe within a full and open market framework, Ministers recommend, subject to its meeting the assessment criteria, inviting this country to become the first Partner country of EUREKA.

- **Globalstars joint calls with any country or countries around the world shall become the key basic instrument for the internationalization of EUREKA.** EUREKA shall explore new opportunities to launch Globalstars joint calls with platforms for regional cooperation in other continents, in order to create better medium-to-long term conditions for trade in goods and services with Europe.
- **Associate Country status shall be** reviewed in order to create lighter procedures for those countries. The renewal period shall be extended to four years and the steps required for the renewal decision shall be simplified. Ministers recommend the creation of a shortlist of countries, in Asia and the Americas, with the potential for association to EUREKA in the coming years, subject to the above conditions.

B.- Reinforcing the European innovation space: a more active role for EUREKA in the European Research and Innovation Area

Ministers believe that:

- The bottom-up approach used by EUREKA is the best approach to promote industry-led innovation.
- The best way to increase the scope and impact of European innovation is for EUREKA and the other main public actors that promote innovation in Europe (EU, nations, regions) to streamline and coordinate their work.

- The natural framework for the development of mutual cooperation between EUREKA and the EU is the European Research and Innovation Area (ERIA), a space of coordination for initiatives, programmes and other activities of Member States and other European organizations for the purpose of generating and disseminating R&D&I, an essential element in the improvement of European competitiveness.
- Launched in 2008, the joint programme Eurostars, co-funded from the national budgets of numerous EUREKA countries and supported by the European Union through its Framework Programmes, has created mutual benefits.
- Eurostars was carefully developed to address the specific needs of R&D-performing SMEs in developing new innovative and competitive products, processes and services. Through facilitating easier access to international markets, the programme has demonstrated significant impact and added-value, particularly in job creation, economic development and long-term transnational cooperation. The past years have shown the strategic importance of having a stable programme with a long-term commitment from EUREKA countries and the EU.
- By building on the strengths and lessons learnt from the past and on-going evaluations of the first two Eurostars phases, a comparable collaborative bottom-up programme between EUREKA and the EU, in a relevant form, should be explored in view of the forthcoming FP9, in order to enhance support to innovation.

To continue the realisation of EUREKA's founding ambitions, Ministers call upon the European Commission and the EUREKA decision-making bodies to implement the following actions:

- **Optimise and rationalise coordination between EUREKA and EU activity in the field of innovation policy and strategy.** A joint **High Level Working Group between EUREKA and the EC**, at a minimum of High Level Representative's or Deputy's level, shall be set up to present, at the latest by the end of the Finnish EUREKA Chairmanship, a concrete roadmap for EUREKA and European innovation policy. Continuity of this Group should be foreseen, keeping the roadmap subject to yearly updates, taking account of the interactivity and interdependence of FP 9, EIC and ERIA developments and the evolution of the innovation landscape.
- The roadmap will distinguish between **actions to be implemented within the current programming period (until 2020) and those to be proposed for the next programming period (post 2020)**, specifically for the 9th Framework Programme and in particular the European Innovation Council:
 - For the period up to 2020, particular attention will be paid to the outcomes of the mid-term evaluation of Eurostars 2 of both the EC and

EUREKA Participating Countries, with a view to setting up and implementing any actions deemed necessary to completely fulfil the objectives of the programme. Besides this, to enhance cooperation, the roadmap should identify areas where closer synergy and better streamlining can be achieved between specific Horizon 2020 initiatives and EUREKA instruments, notably in areas such as investment (e.g. E!InnoVest and InvestHorizon follow-up; EUREKA Clusters and JTIs; InnovFin), international cooperation (e.g. Globalstars-InConet), and communication (e.g. the positioning of Eurostars 2 alongside the range of EU instruments aimed at SMEs , ...).

- For the period after 2020, particular attention will be paid to two issues: cooperation between EUREKA and the European Innovation Council, including whether a Memorandum of Understanding is needed; and the conditions agreed between EUREKA and the EC to be met for a potential renewal of Eurostars or a similar programme of joint support.

In view of the importance of the two strategic axes set out in this Communiqué, Ministers commit themselves to active reinforcement of EUREKA within their national administrations, **securing the appropriate level of national resources to ensure EUREKA's effective operation**. This commitment entails sufficient funding to allow their companies' participation in EUREKA projects along with sufficient skilled human resources to sustain the activity of the National EUREKA Offices. EUREKA must be promoted as the best meeting point for European companies seeking to develop partnerships in order to undertake innovative collaborative projects that can boost their competitiveness in a global environment.

Approval of the Updated EUREKA 2020 Strategic Roadmap.

The Ministerial Conference welcomes the **updated EUREKA Strategic Roadmap 2020** and calls for appropriate measures to fully implement the ambitions set out in the Roadmap during the forthcoming Finnish Chair and subsequent Chairmanships of EUREKA.

Renewal of the Association Agreement with South Africa and Association of Chile.

The Ministerial Conference announces the renewal of the Association with South Africa until the 30th of June 2021, and the new Association of Chile with EUREKA, from the 1st of July 2017 until the 30th June 2021.

Approval of the EUREKA Regulatory Corpus.

The Ministerial Conference endorses the EUREKA Regulatory Corpus, recognizing the excellent way in which the rules that have formed the basis of EUREKA's strategic, operational and legal developments since its inception have now been combined into a coherent single document.

Update of EUREKA instruments to make them more effective and efficient.

Ministers acknowledge the considerable effort undertaken to define new guidelines for the management of Network Projects and EUREKA Clusters.

Enhancing EUREKA Clusters presence.

The Ministerial Conference welcomes the launch of two new EUREKA Clusters in the technology areas of Advanced Manufacturing, and Graphene and 2-D materials.

Project generation and portfolio of EUREKA projects.

The Conference welcomes the increasing number of Eurostars projects within the overall EUREKA project portfolio in the last five years and is particularly pleased with the very high proportion of R&D-performing SMEs among the participants in Eurostars projects. The Ministerial Conference notes that the same period has seen: 495 new Network projects with a total estimated budget of 855 M€; 1,242 Eurostars projects with a total estimated budget of 1,787 M€; and 224 new Cluster projects with a total estimated budget of 2,092 M€. The total number of newly labelled projects of all types is therefore 1,961, with a total budget of 4,734 M€.

During the Spanish Chairmanship, 490 new EUREKA projects have been labelled (132 Network Projects; 314 Eurostars projects and 44 Cluster projects), with a total budget of 1,074 M€ (454 M€; 160 M€ and 460 M€, respectively).

2017 EUREKA Innovation Award.

The Ministerial Conference congratulates the winners of the EUREKA Innovation Award: Eurostars project AR-TEX in the category of Innovators of Tomorrow; ITEA EUREKA Cluster project ADAX, in the category of Competitiveness; and EURIPIDES2 Cluster Project UPMOST, in the category of Added Value.

Future Chairs.

The Ministerial Conference looks forward to the forthcoming Chair of United Kingdom (July 2018 – June 2019).

In view of the positive future direction for EUREKA summarised in this Communiqué, the Ministerial Conference calls upon all members to consider taking the EUREKA Chairmanship in future years, particularly members which have not yet done so.

Incoming Chair: the Finnish Programme.

Ministers thank the Government of Finland for taking over the EUREKA Chairmanship from July 2017 to June 2018. Ministers welcome the appointment of Mr. Heikki Uusi-Honko, Development Director for International Operations at Tekes - the Finnish Funding Agency for Innovation, as Chairman of the EUREKA High Level Group. Ministers also welcome the programme of the incoming Finnish Chair:

- Smart EUREKA
- Extensive EUREKA
- EUREKA and European Innovation Policy

The Ministerial Conference delegates to its HLG representatives the necessary decision-making authority to ensure the good functioning and future development of EUREKA activities until the next Ministerial Conference.

At the end of the meeting, the Spanish Secretary of State for Research, Development and Innovation, Ms. Carmen Vela, formally passed the EUREKA Chairmanship to the Head of the Finnish Delegation, Mr. Petri Peltonen, Under-Secretary of State at the Ministry of Economic Affairs and Employment, and expressed his sincerest wishes for a successful Chair term.