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## **EU's new innovation plan called vital for economic recovery – but needs support from EU members**

BRUSSELS, 6 October 2010 – A group of European innovators called the European Commission's new innovation plan 'vital' for an economic recovery – but urged EU member-states to follow through on the plan with enough money and political support to make it work.

“The Commission's Innovation Union strategy is a vital step in the process of making the European economy more dynamic and competitive,” according to the Science|Business Innovation Board, an independent panel of leaders in academia, industry and policy. “But to make it effective, it will need support from the 27 EU members – both political and financial. We call on the EU members to make sure that this plan leads to fast, effective action.”

The Science|Business Innovation Board is a Brussels-based non-profit association formed to create an environment more conducive to innovation in Europe. Its members include J.Frank Brown, dean of international business school INSEAD; Jean-Philippe Courtois, president of Microsoft International; Alfons Sauquet, dean of Barcelona-based ESADE Business School; and David Eyton, group head of research and technology at BP.

The panel was responding to the release today by Máire Geoghegan-Quinn, EU Commissioner for Research, Innovation and Science, of a major communication on innovation policy – a plan to be discussed for adoption at a December summit of European leaders. The communication, the Board said, moves in the right direction of tackling the unfavourable framework conditions of laws, regulations and policies that hobble innovators in Europe; and of avoiding the fragmentation of effort in the EU that often leads to missed opportunities.

But the Board also warned that the plan will require many changes in national regulations and policies, and avoiding budget cuts in vital areas of research, development and innovation.

“Europe's drive for budgetary restraint is unavoidable in the wake of massive economic recovery spending. But cuts to national R&D programmes could seriously backfire. Research is the wellspring for new technologies and

innovation – and both are key to economic growth,” said INSEAD’s Dean Brown.

Economic research by, among others, the Organization for Economic Cooperation and Development (OECD) suggests that a 1% increase in public R&D boosts productivity by 0.17% and a 1% increase in business R&D raises productivity by 0.13%.

To help secure Europe’s competitive position on the world’s economic stage, we need to encourage development of new technology and advanced scientific skills. It is from this critical foundation that Europe will be able to create solid jobs and real economic value – the kind that won’t evaporate in hard times,” said Microsoft’s Courtois.

“The European Commission has made a bold move. We now call on the EU to do everything in its power to create the right conditions for European business and individuals to thrive,” Courtois added.

Said Sauquet of ESADE: “Solving the Grand Challenges Europe faces – such as climate change, energy supply, healthcare for an ageing population – is going to require innovation. “And that can only happen if an end is put to the ways in which innovators are constrained by Brussels and by member states. This plan is a step forward – and, hopefully, the first of many such steps.”

**For more information:**

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**Notes for Editors**

**The Science|Business Innovation Board AISBL**

The Science|Business Innovation Board AISBL is a Brussels-based non-profit scientific association created to improve the climate for innovation in Europe. It was formed by international business school INSEAD, Spain’s ESADE Business School, and Science Business Publishing Ltd., a London- and Brussels-based media company, with the support of Microsoft Corp. and BP PLC. Its members include:

- J. Frank Brown, Dean, INSEAD Business School
- Pat Cox, President, European Movement International
- Jean-Philippe Courtois, President, Microsoft International
- David Eyton, Group Head for Research and Technology, BP
- Sir Keith O’Nions, Rector, Imperial College London
- Philippe Pouletty, General Partner, Truffle Capital
- Alfons Sauquet, Dean, ESADE Business School

CEFIC, the European Chemical Industry Federation, is also a member. For more information, see [www.sciencebusiness.net/innovationboard](http://www.sciencebusiness.net/innovationboard)