

# **European Research after the Crisis – Chances and Challenges for European citizens, Enterprises and Researchers**

Tuesday 18 June 2013 at 7:30 pm

Dear colleagues,

It is my great pleasure to be here with you today for the first time as the President of the newly inaugurated organization of SME Europe to the EPP.

As you probably know, there are currently tough negotiations going on among the European institutions about the areas in which the EU needs to focus in the next 7 years and more importantly, how and why to spend the allocated amount.

The economic crisis of the past 5 years irreversibly changed the tradition of bumping up the EU spending every year or every financial perspective. However, the more worrying development is that the general focus of policymaking is targeting the short-termism of social problems and not their source - I am afraid that our highly-educated youths with 2, 3, 4 internships cannot find jobs because such jobs do not exist yet.

And in that situation the elephant in the room is the risk of the research commitments in the EU budget, respectively the projects that can create those high-value jobs, to suffer in relative terms vis-a-vis other, more pressing items on the agenda.

I concur with one example to this thinking - nanotechnologies and industrial biotechnology - huge potential - they are expected to grow by up to 50% by 2015, creating thousands of high value-added new jobs.

Long gone are the days when money could flow into any industry and create some kind of growth and benefits going around. Investment, especially with public money, will increasingly be subject to, I wouldn't say more stringent, but definitely more targeted conditions. As a politician I see a few brain teasers which I hope will be addressed by my more knowledgeable colleagues who are here with us tonight.

First of all, why do we have many innovative firms that produce, for example, top-notch auto parts, but are lagging behind technology clusters like the Silicon Valley?

Then, how do we ensure that we finance the creation of knowledge or projects with potential that all lead to the improvement or development of new products, processes or services.

Third, can we speak of 'innovation capacity' for SMEs and what should be their incentives towards closing the gap between research and innovation?

Ladies and gentlemen, the future belongs to those who may reach their goals in 1, 5 or 10 years and the results from which we can hardly even envisage today. In the midst of the financial crisis today, we risk failing to commit to a path of growth