

EUROPE 2020: WHAT DOES INNOVATION MEAN?

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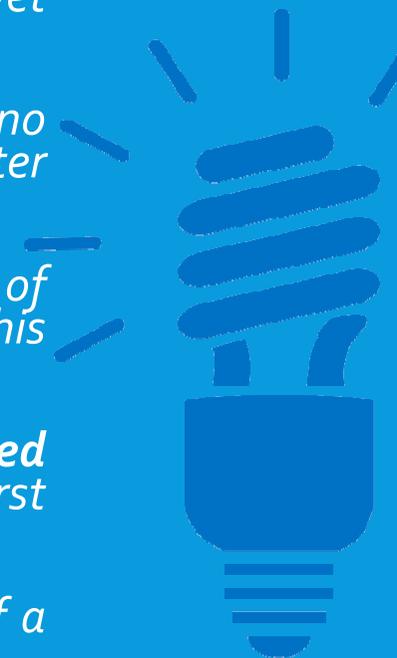


A TRADITIONAL APPROACH TO INNOVATION

Innovation is:

- *"The introduction of a new good — that is one with which consumers are not yet familiar — or of a new quality of a good.*
- *The introduction of an improved or better method of production, which need by no means be founded upon a discovery scientifically new, and can also exist in a better way of handling a commodity commercially.*
- *The opening of a new market that is a market into which the particular branch of manufacture of the country in question has not previously entered, whether or not this market has existed before.*
- *The conquest of a new source of supply of raw materials or half-manufactured goods, again irrespective of whether this source already exists or whether it has first to be created.*
- *The carrying out of the better organization of any industry, like the creation of a monopoly position or the breaking up of a monopoly position."*

*"Theorie der Wirtschaftlichen Entwicklung, 1912,
Joseph Schumpeter"*



'UP 2 DATE' DEFINITION OF INNOVATION

Product innovation: A good or service that is new or significantly improved. This includes significant improvements in technical specifications, components and materials, software in the product, user friendliness or other functional characteristics.

Process innovation: A new or significantly improved production or delivery method. This includes significant changes in techniques, equipment and/or software.

Basic Types of Innovation

Marketing innovation: A new marketing method involving significant changes in product design or packaging, product placement, product promotion or pricing.

Organisational innovation: A new organisational method in business practices, workplace organisation or external relations.

MOST COMMON WAYS FOR BEING INNOVATIVE

Radical Innovation

Incremental Innovation

Risk Profile: High risks

Low to Medium risks

Innovation target: Processes, products, services, social, new business models

Cost or feature improvements in existing products, services, marketing, etc.. Optimisation of existing business models

Strategic Goals: Create a dramatic change and transform existing markets and ways we do things

Improve competitiveness of efficiency within current markets and processes

Culture: Open, externally oriented, risk taking

Determined by existing procedures and organisational setup

Structure: Decentralised, Networked, horizontal communication

Centralised, vertical communication

Balancing Innovation Via Organizational Ambidexterity, 24/03/2013 By: Frank Mattes and Ralph-Christoph
<http://www.innovationmanagement.se/2013/05/29/balancing-innovation-via-organizational-ambidexterity/>



EUROPEAN UNION'S DEFINITION OF INNOVATION

"There is no one single definition. But innovation as described in the Innovation Union plan broadly means change that speeds up and improves the way we conceive, develop, produce and access new products, industrial processes and services. Changes that create more jobs, improve people's lives and build greener and better societies"

*"Turning Europe into a true Innovation Union,
European Commission - MEMO/10/473 06/10/2010"*

Innovation is about finding a new way of doing something!

WHY EUROPE NEEDS TO BE MORE INNOVATIVE?

- 1) As public deficits are reined in to repair public finances and as our labour force begins to shrink, what will be the basis for **Europe's future competitiveness**?
- 2) How will we create **new growth and jobs**?
- 3) How will we get **Europe's economy back on track**?
- 4) How will we **tackle growing societal challenges** like climate change, energy supply, the scarcity of resources and the impact of demographic changes?
- 5) How will **we improve health and security** and sustainably provide water and high-quality, affordable food?

"Europe 2020 Flagship Initiative, Innovation Union, SEC(2010) 1161, Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions"

INNOVATION IN EU POLICIES

*"Europe 2020 is the **European Union's ten-year growth and jobs strategy** that was launched in 2010. It is about more than just **overcoming the crisis** from which our economies are now gradually recovering. It is also about **addressing the shortcomings of our growth model** and creating the conditions for a **smart, sustainable and inclusive growth.**"*



EU 2020 TARGETS

The 5 targets for the EU in 2020

- **1. Employment**
 - 75% of the 20-64 year-olds to be employed
- **2. R&D**
 - 3% of the EU's GDP to be invested in R&D
- **3. Climate change and energy sustainability**
 - greenhouse gas emissions 20% (or even 30%, if the conditions are right) lower than 1990
 - 20% of energy from renewables
 - 20% increase in energy efficiency
- **4. Education**
 - Reducing the rates of early school leaving below 10%
 - at least 40% of 30-34-year-olds completing third level education
- **5. Fighting poverty and social exclusion**
 - at least 20 million fewer people in or at risk of poverty and social exclusion



EU 2020 FLAGSHIP INITIATIVES

- **Smart growth**

- *Digital agenda for Europe*
- *Innovation Union*
- *Youth on the move*

- **Sustainable growth**

- *Resource efficient Europe*
- *An industrial policy for the globalisation era*

- **Inclusive growth**

- *An agenda for new skills and jobs*
- *European platform against poverty*



STATEMENT ON INNOVATION

*"As we emerge from crisis in the teeth of fierce global competition, we face an **innovation emergency**. If we do not transform Europe into an Innovation Union, our economies will wither on the vine while ideas and talent go to waste. Innovation is the key to building sustainable growth and fairer and greener societies. A sea change in Europe's innovation performance is the only way to create lasting and well-paid jobs that withstand the pressures of globalisation. "*

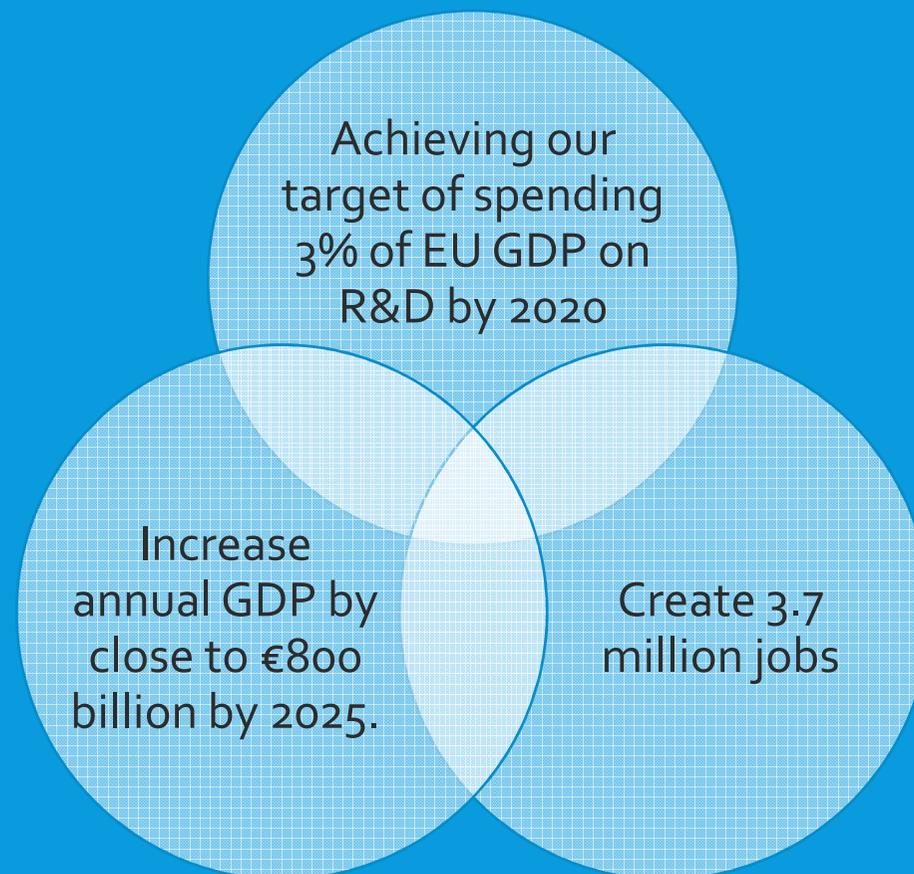
Máire Geoghegan-Quinn, ex-Commissioner for Research, Innovation and Science
and Vice- President of the EU Commission Antonio Tajani

WHAT INNOVATION UNION IS AND WHY WE NEED IT?



The “Innovation Union” is one of the seven flagships announced in the Europe 2020 Strategy. It aims to improve conditions and access to finance for research and innovation, to ensure that innovative ideas can be turned into products and services that create growth and jobs.

INNOVATION UNION'S MAIN TARGETS



WHAT INNOVATION UNION MEANS....

...for a citizen

The Innovation Union will contribute to innovations and breakthroughs to improve your quality of life and create jobs.

The Innovation Union means:

A smarter economy to support our standard of living
Better use of public money
Empowering citizens through social innovation
Innovative solutions to live longer and healthier lives
A greener Europe

...for an entrepreneur

- The Innovation Union will make it easier for you to commercialise your ideas and grow your company.

The Innovation Union means:

- Improved access to finance and
- Innovation-friendly rules and regulations
- Accelerated interoperable standard-setting
- Cheaper patenting
- Innovation supported by the public sector
- Innovation Partnerships to give EU businesses a competitive edge
- Easier participation in EU research and innovation programmes

...for a researcher

- Innovation Union will make it easier for you to conduct your research in Europe

The Innovation Union means:

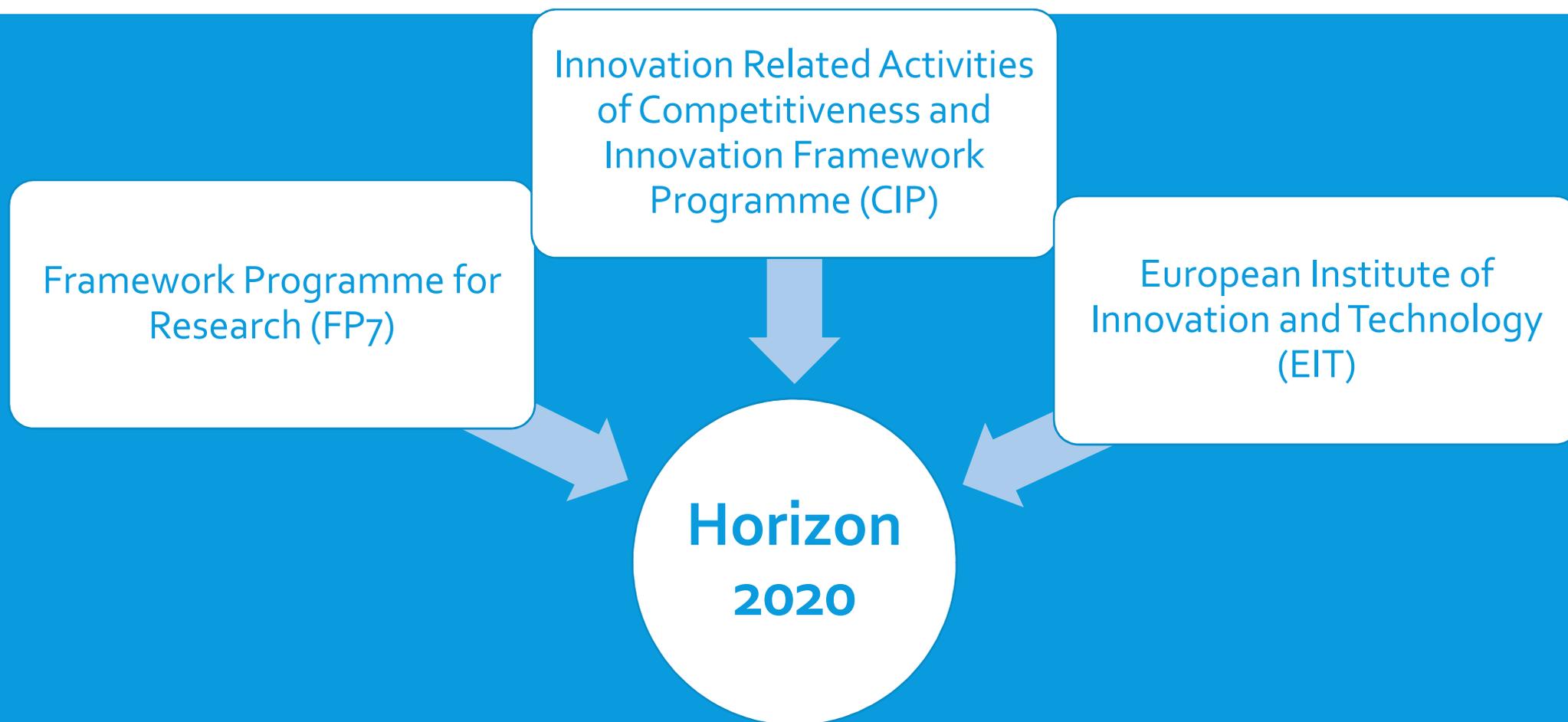
- Attractive careers for researchers
- High-standard training
- Improved cross-border mobility
- A more open access to research results
- Enhanced public-private collaboration
- Easier participation in EU research and innovation programmes

HORIZON 2020 – AN INNOVATIVE INSTRUMENT



"Horizon 2020 is the biggest EU Research and Innovation programme ever with €70 billion of funding available over 7 years (2014 to 2020) – in addition to the private investment that this money will attract. It promises more breakthroughs, discoveries and world-firsts by taking great ideas from the lab to the market."

HORIZON 2020 – AN INNOVATIVE INSTRUMENT



HORIZON 2020 – PRIORITIES



EXAMPLES OF INNOVATION CALLS

Industrial Leadership

Peer learning of innovation agencies

Horizon 2020 dedicated SME Instrument - Phase 2 2014

Horizon 2020 dedicated SME Instrument - Phase 1 2014

Societal Challenges

INSO-2-2014: Understanding and supporting business model innovation

INSO-3-2014: The economic impact of the Innovation Union

INSO-4-015: Innovative schemes for open innovation and science 2.0

INSO-5-2015: Social innovation Community

Excellent Science

ERC Proof of Concept Grants for ERC grant holders who want to check the market and/or innovation potential of research results from ERC-projects - up to 150,000 euro for a period of 12 months.



INTERNATIONAL COOPERATION FOR INNOVATION

The new International Cooperation strategy focuses on research and innovation, in areas of common interest and mutual benefit. The strategy is based in the following 3 objectives.

Extend the frontiers of scientific knowledge: Horizon 2020 continues to fund the very best science rewarding top researchers from Europe and beyond, funding also the establishment of world-class research infrastructures. Researcher training, mobility and career development will continue to be encouraged.

Tackle global challenges: Global challenges are important drivers of research and innovation. For global challenges, worldwide answers are needed and collaboration with developing countries will emphasise joint solutions to specific difficulties, whether it be water management, energy security, agricultural development or particular health issues.

Invest in competitive industries: Make industry, and notably SMEs, more competitive by linking research firmly to innovation, leading to better products and services across the globe. Efforts will concentrate on key enabling technologies - such as advanced manufacturing, microelectronics, nanotechnology and biotechnology – that underpin innovation across many industries and sectors.

COMMENTS

We need to get the maximum from Research and innovation in order to

- ❖ deliver jobs,
- ❖ prosperity,
- ❖ quality of life and
- ❖ global public goods

and generate the scientific and technological breakthroughs needed to tackle the urgent challenges society faces.

**“We often miss opportunity because it's dressed in overalls and looks like work”
— Thomas Edison**

THANK YOU!!



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