

Procedure file

Basic information		
INI - Own-initiative procedure	2010/2245(INI)	Procedure completed
Innovation Union: transforming Europe for a post-crisis world		
Subject 3.40.14 Industrial competitiveness 3.45 Enterprise policy, inter-company cooperation 3.50.01 European research area and policy 3.50.04 Innovation 3.50.15 Intellectual property, copyright 3.50.16 Industrial property, European patent, Community patent, design and pattern 3.50.20 Scientific and technological cooperation and agreements 4.40.01 European area for education, training and lifelong learning 4.70.07 European Regional Development Fund (ERDF) 8.40.07 European Investment Bank (EIB)		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ITRE Industry, Research and Energy		29/09/2010
		S&D MERKIES Judith A.	
		Shadow rapporteur	
		PPE SARTORI Amalia	
		ALDE CHATZIMARKAKIS Jorgo	
		Verts/ALE BÜTIKOFER Reinhard	
		Verts/ALE LAMBERTS Philippe	
		ECR TOŠENOVSKÝ Evžen	
		EFD TZAVELA Niki	
	Committee for opinion	Rapporteur for opinion	Appointed
	CULT Culture and Education		23/11/2010
		S&D BADIA I CUTCHET Maria	
	ENVI Environment, Public Health and Food Safety		
EMPL Employment and Social Affairs		21/10/2010	
	PPE ESSAYAH Sari		
REGI Regional Development		28/10/2010	
	PPE HÜBNER Danuta Maria		
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.		
INTA International Trade		01/12/2010	
	PPE VAIDERE Inese		
IMCO Internal Market and Consumer Protection			
JURI Legal Affairs		27/10/2010	

Key events

06/10/2010	Non-legislative basic document published	COM(2010)0546	Summary
25/11/2010	Committee referral announced in Parliament		
12/04/2011	Vote in committee		Summary
26/04/2011	Committee report tabled for plenary	A7-0162/2011	
11/05/2011	Debate in Parliament		
12/05/2011	Results of vote in Parliament		
12/05/2011	Decision by Parliament	T7-0236/2011	Summary
12/05/2011	End of procedure in Parliament		

Technical information

Procedure reference	2010/2245(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Strategic initiative
Legal basis	Rules of Procedure EP 54
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	ITRE/7/04342

Documentation gateway

Non-legislative basic document		COM(2010)0546	06/10/2010	EC	Summary
Committee draft report		PE456.700	09/02/2011	EP	
Committee opinion	CULT	PE454.379	03/03/2011	EP	
Amendments tabled in committee		PE460.664	08/03/2011	EP	
Amendments tabled in committee		PE460.774	08/03/2011	EP	
Committee opinion	INTA	PE456.869	17/03/2011	EP	
Committee opinion	ENVI	PE458.493	17/03/2011	EP	
Committee opinion	EMPL	PE456.694	18/03/2011	EP	
Committee opinion	JURI	PE454.702	23/03/2011	EP	
Committee opinion	IMCO	PE456.879	23/03/2011	EP	
Committee opinion	REGI	PE458.643	23/03/2011	EP	
Committee report tabled for plenary, single reading		A7-0162/2011	27/04/2011	EP	

Text adopted by Parliament, single reading	T7-0236/2011	12/05/2011	EP	Summary
Commission response to text adopted in plenary	SP(2011)6333/2	19/09/2011	EC	
Follow-up document	COM(2011)0849	02/12/2011	EC	Summary

Innovation Union: transforming Europe for a post-crisis world

PURPOSE: Commission Communication presenting Europe 2020 Flagship Initiative Innovation Union.

BACKGROUND: this Communication begins by noting that Europe's capacity to create millions of new jobs to replace those lost in the financial crisis, and its future standard of living depends on Europe's ability to drive innovation in products, services, business and social processes and models. This is why innovation has been placed at the heart of the Europe 2020 strategy. The "Innovation Union" is one of the seven flagships announced in the Europe 2020 Strategy. The paper outlines both the potential in the EU and its weaknesses. The latter includes:

Under-investment in our knowledge foundation: the EU spends every year 0.8% of GDP less than the US and 1.5% less than Japan in R&D - with major gaps in business R&D, venture capital investments - and our education system needs reform. Countries like China and South Korea are catching up fast and moving from being imitators to leaders in innovation. Unlike the EU, they are pursuing a strategic approach to creating an innovation-friendly environment. Private sector R&D is increasingly outsourced to emerging economies and thousands of our best researchers and innovators have moved to countries where conditions are more favourable. According to recent estimates, achieving our target of spending 3% of EU GDP on R&D by 2020 could create 3.7 million jobs and increase annual GDP by close to EUR 800 billion by 2025. Too few of our innovative SMEs grow into large companies;

Unfavourable framework conditions: private investment in research and innovation is being held back and ideas prevented from reaching the market by poor availability of finance, costly patenting, market fragmentation, outdated regulations and procedures, slow standard-setting and the failure to use public procurement strategically. Moreover, barriers in the single market make it more difficult for different players to work together across border, using and sharing knowledge from all sources, which is increasingly how successful innovations are developed.

Fragmentation of effort: national and regional research and innovation systems are still working along separate tracks with only a marginal European dimension. This leads to costly duplication and overlap which is unacceptable at a time of tight finances. By better pooling our efforts and focusing on excellence, and by creating a true European Research Area, the EU can enhance the quality of research and Europe's potential for major breakthroughs and increase the effectiveness of the investments needed to get ideas to market.

CONTENT: the Communication addresses the challenges and opportunities facing Europe in key areas where urgent and sustained efforts are required. It sets out clearly the key European, national and regional initiatives needed to create the Innovation Union

Concretely, to achieve Innovation Union, the following is needed:

- the EU and Member States need to continue to invest in education, R&D, innovation and ICTs. Such investments should where possible not only be protected from budget cuts, but should be stepped up;
- this should go hand in hand with reforms to get more value for money and tackle fragmentation. EU and national research & innovation systems need to be better linked up with each other and their performance improved;
- education systems at all levels need to be modernised. We need more world-class universities, raise skill levels and attract top talent from abroad;
- researchers and innovators must be able to work and cooperate across the EU as easily as within national borders. The European Research Area (ERA) must be completed within four years ? putting in place the frameworks for a truly free movement of knowledge;
- access to EU programmes must be simplified and their leverage effect on private sector investment enhanced, with the support of the European Investment Bank. The role of the European Research Council should be reinforced. The framework programme's contribution to nurturing fast growing SMEs must be boosted. The European Regional Development Fund should be fully exploited to develop research and innovation capacities across Europe, based on smart regional specialisation strategies;
- we need to get more innovation out of our research. Cooperation between the worlds of science and the world of business must be enhanced, obstacles removed and incentives put in place;
- remaining barriers for entrepreneurs to bring "ideas to market" must be removed: better access to finance, particularly for SMEs, affordable Intellectual Property Rights, smarter and more ambitious regulation and targets, faster setting of interoperable standards and strategic use of our massive procurement budgets. As an immediate step, agreement should be reached on the EU patent before the end of the year;
- European Innovation Partnerships should be launched to accelerate research, development and market deployment of innovations to tackle major societal challenges, pool expertise and resources and boost the competitiveness of EU industry, starting with the area of healthy ageing;
- our strengths in design and creativity must be better exploited. We must champion social innovation. We must develop a better understanding of public sector innovation, identify and give visibility to successful initiatives, and benchmark progress;
- we need to work better with our international partners. That means opening access to our R&D programmes, while ensuring comparable conditions abroad. That also means adopting a common EU front where needed to protect our interests.

The Communication outlines a large number of actions and time-scales which are designed to meet these challenges. They include the following:

- an integrated framework for the promotion of e-skills for innovation and competitiveness, based on partnerships with stakeholders;
- a European Research Area framework and supporting measures to remove obstacles to mobility and cross-border co-operation, aiming for them to be in force by end 2014;
- by 2015, Member States together with the Commission should have completed or launched the construction of 60% of the priority European research infrastructures currently identified by the European Strategy Forum for Research Infrastructures (ESFRI). The Commission will design future EU research and innovation programmes to ensure simple access and stronger involvement of SMEs,

- in particular those with a high growth potential;
- by mid 2011- the European Institute of Innovation and Technology (EIT) should set out a Strategic Innovation Agenda to expand its activities as a showcase for Innovation in Europe;
- by 2014: the EU should put in place financial instruments to attract a major increase in private finance and close the market gaps in investing in research and innovation. Contributions from the EU budget should create a major leverage effect and expand on the success of FP7 and CIP. The Commission will work with the European Investment Bank Group, national financial intermediaries and private investors to develop proposals addressing the following critical gaps: (i) investment in knowledge transfer and start ups; (ii) venture capital for fast growing firms expanding on EU and global markets; (iii) risk sharing finance for investments in R&D and innovation projects; and (iv) loans for innovative fast growing SMEs and midcaps;
- by 2012, the Commission will ensure that Venture Capital funds established in any Member State can function and invest freely in the EU (if necessary by adopting a new legislative regime). It will endeavour to eliminate any tax treatment unfavourable to cross-border activities;
- the European Parliament and Council should take the necessary steps to adopt the proposals on the EU patent, its linguistic regime and the unified system of dispute settlement. The objective is that the first EU patents are delivered in 2014;

Member States are invited to carry out self assessments based on the policy features identified in the Annex and identify key challenges and critical reforms as part of their National Reform Programmes.

Lastly, the European Parliament is invited to give priority to Innovation Union proposals and initiatives, including the identification and success of the European Innovation Partnerships. The Commission would welcome the Parliament holding once a year a major policy debate on progress with representatives of national parliaments and stakeholders, to identify key messages and to keep the Innovation Union high on the political agenda.

Innovation Union: transforming Europe for a post-crisis world

The Committee on Industry, Research and Energy adopted an own-initiative report by Judith A. MERKIES (S&D, NL) in response to the Commission Communication setting out the main initiatives needed to create "Europe 2020 Flagship Initiative: Innovation Union".

(1) An integrated and interdisciplinary approach: whilst welcoming the Innovation Union flagship initiative, the report calls for : i) a broad concept of innovation that goes beyond technological and product oriented innovation ; ii) involves all stakeholders, in particular enterprises, and highlights the various enabling roles of citizens, while realising a mindset change.

Members consider that innovation, in all fields of knowledge and of economic and social activity, must be guided by the criteria of public interest, improvement of quality of life, promotion of social wellbeing and preservation of the environment and the balance of nature.

The report underlines the importance of climate and energy-efficient and renewable technologies in the shift towards a sustainable global economy. The Commission is asked to define strategies on internationalisation and innovation in these sectors. Members also call for the adoption of an ambitious Eco-innovation Action Plan.

The committee recalls that innovation is not exclusively intended to meet major societal challenges but also plays a particularly important role in the manufacture of consumer-friendly and attractive products in the fields of leisure, technology, industry, culture and entertainment. Noting that the digital world and ICTs are engines of innovation, it wants the Commission and Member States to step up their implementation of high-speed internet.

Members stress that that the success of innovation and research policy is dependent upon:

- strategic orientation, development, design and implementation of all policies and measures, , with the aim of contributing to and enhancing innovation in Europe;
- well-coordinated multidisciplinary cooperation and (financial) support at EU, Member State, regional and local level;
- maximum involvement of all relevant players, e.g. SMEs, industry, universities, research institutes, RTOs, governments, Civil Society Organizations and social partners;
- coordination, coherence and synergy among the different policy areas, actions and instruments, so as to prevent fragmentation and duplication;
- shaping a positive regulatory environment for innovation products in order to adapt to market needs;
- policy evaluation methodologies and processes, including peer review panels and dissemination of successful experiments.

(2) Citizen-centred Innovation Society: the Commission and Member States are invited to put serious effort into bringing about a change of mindset towards innovative and curiosity-driven thinking and risk-taking.

The report underlines the importance of the following:

- steps to support initiatives aimed at promoting scientific dialogue and the dissemination of findings among the widest possible public, in addition to the scientific community;
- fostering the development at regional level of an innovation culture ;
- promoting research on social innovation and to provide public funds in support of it as well as public-private partnerships;
- modernising education systems and efforts to overcome skill shortages in the fields of science, technology, engineering and mathematics;
- raising the level of lifelong learning and of developing training activities for all in order to enhance eco-innovativeness and entrepreneurship;
- promoting policies to strengthen cooperation between education systems and the business world in the development of new curricula and doctoral programmes.
- The Commission is asked to create an "Open Innovation" digital platform where European-wide policy problems can be posted, and ideas and solutions can be put forward by citizens and stakeholders across Europe.

(3) Simplification, defragmentation, financing and standardisation: the report calls for a greater emphasis on funding instruments with a leveraging effect on national research expenditure, on private investment, and on EIB funding, to promote coordination of efforts and to

stimulate investment up to European target goals. It also stresses the need to support SMEs from the first stage of innovation until the end, so that they are able to innovate and can participate in European Support Programmes.

The Commission is particularly asked to:

- combine existing aid schemes and supporting structures in order to move towards a simple and accessible system to accelerate innovation, to focus on the grand societal challenges and actively to prevent fragmentation and bureaucracy;
- set up a 'one-stop shop' in cooperation with the Member States, that is, a service counter where all stakeholders (especially innovative SMEs) can obtain information and apply for financial support or be linked up with potential partners;
- establish a single policy framework for supporting and financing innovation with uniform rules;
- link funding instruments more closely to demand-side innovation tools and to direct this support in greater extent to SMEs and start-up companies in need of early access to EU- or international markets.

Members propose that a European innovation financing fund should be set up to boost investment in innovative SMEs through risk sharing involving the harnessing of private resources. They call for a true "EU Venture Capital Single Market" and the further development of instruments and mechanisms for improving SMEs access to research and innovation services (such as innovation vouchers).

Recognising that research and innovation are the only sure means of achieving economic recovery in the EU, Members want the Commission to consider the possibility of establishing for Member States an interim binding minimum level of funding for research and technological development amounting to around 1% of GDP up to 2015.

(4) Single market and intellectual property: Members point out that the single European patent and the European Company Statute need to be adopted to promote the transition to extra-Community trade. They underline the need to reduce the costs of an EU patent and IPR and welcome the Commission revision of the Union trademark system.

The report welcomes the Commission proposal to develop a European knowledge market for IPR and licensing by the end of 2011, including facilitating access to unused intellectual properties, among others, by encouraging the formation of common patent platforms and patent pools.

Members ask for policies which encourage researchers to remain in the EU Member States and investment in research programmes which facilitate mobility and exchanges between researchers at international level.

The Commission is asked to come forward with legislative proposals required for the creation of a fully functioning Digital Single Market by 2015.

(5) Public procurement: Members ask Member States to strategically use public procurement (which represent 17% of the EU's annual GDP) to address the societal challenges, to stimulate innovation and direct their public procurement budget towards innovative, sustainable and eco-efficient products, processes and services. When revising the legal framework on public procurement, the Commission is asked to (i) clarify and simplify the relevant rules and enable contracting authorities to make more transparent use of pre-commercial procurement; (ii) encourage the transparent inclusion of specified and verifiable social, environmental, fair-trade and innovative criteria in public procurement

Members emphasise that international reciprocity is needed in respect of access to public procurement markets.

(6) European Innovation Partnerships (EIPs): the committee welcomes the 'European Innovation Partnerships' intended to increase and coordinate investments in R&D as well as to better coordinate public procurement to speed up the introduction of innovations into the market. It welcomes the pilot project on active and healthy ageing, and asks the European Commission to promote and support other initiatives based on the principle of EIPs.

The report stresses that EIPs must: (i) not exceed the limited number of grand societal challenges and must be aligned with them; (ii) generate inspiration through ambitious but feasible targets, translated coherently into specific objectives; (iii) create synergies; (iv) be shared and coordinated among more than two policy fields (DGs) within the Commission; (v) ensure participation of all relevant public and private partners.

Innovation Union: transforming Europe for a post-crisis world

The European Parliament adopted a resolution on Innovation Union: transforming Europe for a post-crisis world, in response to the Commission Communication setting out the main initiatives needed to create 'Europe 2020 Flagship Initiative: Innovation Union'.

(1) An integrated and interdisciplinary approach: whilst welcoming the Innovation Union flagship initiative, the resolution calls for: (i) a broad concept of innovation that goes beyond technological and product oriented innovation; (ii) involves all stakeholders, in particular enterprises, and highlights the various enabling roles of citizens, while realising a mindset change.

Parliament considers that innovation, in all fields of knowledge and of economic and social activity, must be guided by the criteria of public interest, improvement of quality of life, promotion of social wellbeing and preservation of the environment and the balance of nature.

The resolution underlines the importance of climate and energy-efficient and renewable technologies in the shift towards a sustainable global economy. The Commission is asked to define strategies on internationalisation and innovation in these sectors. Members also call for the adoption of an ambitious Eco-innovation Action Plan.

Parliament recalls that innovation is not exclusively intended to meet major societal challenges but also plays a particularly important role in the manufacture of consumer-friendly and attractive products in the fields of leisure, technology, industry, culture and entertainment. Noting that the digital world and ICTs are engines of innovation, it wants the Commission and Member States to step up their implementation of high-speed internet.

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- shaping a positive regulatory environment for innovation products in order to adapt to market needs;
- policy evaluation methodologies and processes, including peer review panels and dissemination of successful experiments.

(2) Citizen-centred Innovation Society: the Commission and Member States are invited to put serious effort into bringing about a change of mindset towards innovative and curiosity-driven thinking and risk-taking.

The resolution underlines the importance of the following:

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- promoting research on social innovation and to provide public funds in support of it as well as public-private partnerships;
- modernising education systems and efforts to overcome skill shortages in the fields of science, technology, engineering and mathematics;
- raising the level of lifelong learning and of developing training activities for all in order to enhance eco-innovativeness and entrepreneurship;
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The Commission is asked to create an "Open Innovation" digital platform where European-wide policy problems can be posted, and ideas and solutions can be put forward by citizens and stakeholders across Europe.

(3) Simplification, defragmentation, financing and standardisation: the resolution calls for a greater emphasis on funding instruments with a leveraging effect on national research expenditure, on private investment, and on EIB funding, to promote coordination of efforts and to stimulate investment up to European target goals. It also stresses the need to support SMEs from the first stage of innovation until the end, so that they are able to innovate and can participate in European Support Programmes.

The Commission is particularly asked to:

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Recognising that research and innovation are the only sure means of achieving economic recovery in the EU, Members want the Commission to consider the possibility of establishing for Member States an interim binding minimum level of funding for research and technological development amounting to around 1% of GDP up to 2015.

(4) Single market and intellectual property: Members point out that the single European patent and the European Company Statute need to be adopted to promote the transition to extra-Community trade. They underline the need to reduce the costs of an EU patent and IPR and welcome the Commission revision of the Union trademark system.

The resolution welcomes the Commission proposal to develop a European knowledge market for IPR and licensing by the end of 2011, including facilitating access to unused intellectual properties, among others, by encouraging the formation of common patent platforms and patent pools.

Members ask for policies which encourage researchers to remain in the EU Member States and investment in research programmes which facilitate mobility and exchanges between researchers at international level.

More specifically, Parliament welcomes, meanwhile, the broad support in the Council for the [enhanced cooperation procedure on a single EU patent](#) to start in 2011.

The Commission is asked to come forward with legislative proposals required for the creation of a fully functioning Digital Single Market by 2015.

(5) Public procurement: Members ask Member States to Member States strategically to use public procurement (which represent 17% of the EU's annual GDP) to address the societal challenges, to stimulate innovation and direct their public procurement budget towards innovative, sustainable and eco-efficient products, processes and services. When revising the legal framework on public procurement, the Commission is asked to (i) clarify and simplify the relevant rules and enable contracting authorities to make more transparent use of pre-commercial procurement; (ii) encourage the transparent inclusion of specified and veritable social, environmental, fair-trade and innovative criteria in public procurement.

Members emphasise that international reciprocity is needed in respect of access to public procurement markets.

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on the principle of EIPs.

The resolution stresses that EIPs must: (i) not exceed the limited number of grand societal challenges and must be aligned with them; (ii) generate inspiration through ambitious but feasible targets, translated coherently into specific objectives; (iii) create synergies; (iv) be shared and coordinated among more than two policy fields (DGs) within the Commission; (v) ensure participation of all relevant public and private partners.

Innovation Union: transforming Europe for a post-crisis world

The Commission presents a report on the State of Innovation Union 2011. Innovation Union is an integrated flagship initiative under the Europe 2020 strategy, built around 34 specific commitments and aims at ensuring that innovative ideas are translated into new goods and services that create growth and jobs.

The report sets out the background, stating that the first year of Innovation Union has seen the economic and financial crisis reaching a new phase, and the pressure to cut investments is huge. At the same time, the shift in economic power from West to East is accelerating. Both the Innovation Union Scoreboard and the Innovation Union Competitiveness report highlight the fact that Europe's research and innovation performance has declined over recent years.

This report focuses on key policy actions of 2011, and provides an overview on the state of play of all 34 commitments of the Innovation Union.

Progress: overall, good progress has been made in launching the 34 Innovation Union commitments. Legislative proposals have been tabled according to plan and pilot actions have been launched and tested. Out of the 34 Innovation Union commitments, two have not been taken up: at national level, dedicating procurement budgets to innovative products and services and, at EU level, consulting social partners on bringing the knowledge economy to all occupational levels. Two more actions are delayed: regulatory screening and the eco-innovation action plan. The Commission will step up its efforts to launch the delayed activities promptly and calls on Member States to intensify their efforts to drive demand for innovative solutions through public procurement.

The paper also makes the following points:

- the Commission is proposing to increase investments in research, innovation and education in support of the EU's pro-growth agenda. The [Horizon 2020](#) proposal enacts many of the Innovation Union commitments;
- there has been good track record on putting in place the conditions that will smooth the path from idea to market. In particular, the Commission has already tabled legislative proposals for [unitary patent protection](#) and for [modernising standard-setting](#);
- the Commission will put forward measures for completing European Research Area by 2014, and expects to present a proposal in mid-2012;

The challenge for the next implementation phase will be that all actors take collective responsibility for Innovation Union delivery, adopt the proposals tabled by the Commission and translate firm political commitments into action both at national and at EU level.

Action at national level: the success of Innovation Union will depend on the extent to which it can mobilise action at national and regional level. Overall, the National Reform Programmes include a breadth of measures that offer a good starting point for stimulating innovation. However, national programmes often lack ambition and specificity. Additional efforts are needed to reach the EU's 3 % R&D target and Member States need to do more to protect and prioritise expenditure on research and education and the key infrastructures to sustain future growth.

A few trends could be detected from the announced reforms with respect to research and innovation:

- a majority of Member States are in the process of improving their governance structures and strategic guidance for research and innovation, which is often accompanied by a gradual integration of the two policy fields and increased targeting of public funding on selected areas. At this stage, however, very few countries are explicitly targeting societal challenges as their main priority;
- a majority of Member States are engaged in improving framework conditions or financial support for research and innovation, in particular through R&D tax incentives, and different forms of support to innovative SMEs, including venture capital. An increasing number of Member States are paying attention to demand-side innovation policy instruments, in particular public procurement. So far, only a few countries have an approach that seeks to integrate demand- and supply-side instruments;
- in terms of budgets allocated to R&D, only a limited number of Member States including Denmark, France, Germany and Sweden have launched new funding initiatives, while some others such as Slovenia are earmarking a substantial share of Structural Funds for research and innovation. It appears that countries committed to increasing their R&D funding are also the ones which consider the broadest spectrum of growth-enhancing measures in line with the Innovation Union areas of action, and are already high or aspiring innovation performers.

There is clearly a risk of widening the innovation divide between the Member States. It is important that modest innovators sustain their recent positive commitments and the middle-of-the-range innovators are urged not to decrease further their R&D public investments and to start planning to recover lost momentum. Only in this way can Europe meet its ambition on research and innovation targets. Member States are invited to do more to prioritise research and innovation investments and turn into action political commitments undertaken in 2011, especially on pursuing reforms aimed at boosting the effectiveness of their research and innovation systems and improving the use of Structural Funds for research and innovation.

EU funding for research and innovation: in its proposal for a [Budget for Europe 2020](#), the Commission envisages substantial re-orientation of the future EU budget towards research and innovation, bringing together current research and innovation programmes into a single strategic framework [Horizon 2020](#) to fund the whole innovation cycle. Many of the Innovation Union commitments are enacted upon through [Horizon 2020](#), notably: more focus on societal challenges, a strengthened approach to SMEs, and stronger support to market uptake of innovation, including by means of procurements, standard-setting and loan and equity financing. A number of simplification measures for the current Framework Programme (FP7) have already been introduced early 2011, and [Horizon 2020](#) will show more far-reaching simplification.

In parallel, the existing EU research and innovation funding is already being focused on Innovation Union priorities. The Commission is piloting new approaches with [Horizon 2020](#) in mind.

Future action: For 2012, the Commission will continue delivering the Innovation Union, notably by presenting the two remaining Innovation Union initiatives scheduled for 2012, i.e. the proposal for the European Research Area Framework and the new headline indicator. It will also present an external evaluation by the newly created European Research and Innovation Advisory Board.

In tandem with the innovation policy measures under way, the Commission will review the current approaches to innovation in other EU policies and propose strategies to mainstream innovation into all EU policies.