Director-General Robert-Jan Smits

"New Horizons for Transatlantic Research and Innovation Cooperation"

European Institute – February 13, 2013 Washington DC

Your excellencies, ladies and gentlemen,

I would like to thank the European Institute, its president, Joelle Attinger, and her staff for organizing this event.

These occasions really are an excellent opportunity to engage with you: our friends, partners and colleagues in government, in industry and in institutions for research and innovation. I am glad that so many of you were able to come and I'm looking forward to our discussion after I've shared a few of my thoughts.

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Late last year, at the Brookings Institution here in Washington, former Secretary of State Hillary Clinton expressed the view that the United States and Europe should work together "to meet the challenges of a rapidly changing world". She referred

to "our shared strategic and economic interests", as well as our "long history, deep cultural ties, and cherished values".

Speaking in Munich, less than a fortnight ago, Vice President Biden stated that – for the many challenges we face - "Europe remains America's indispensable partner of first resort" and that the United States remains Europe's indispensable partner.

"We need to work together; we need to stick together"; he said. Not only do I agree with these sentiments, I would like to argue that one of the best areas in which we can move forward together is in science, research and innovation.

And yesterday, President Obama announced in his State of the Union address, the decision to start talks with Europe on a Trade and Investment Partnership.

In other words, it looks to me like the US and Europe are rediscovering each other!

That is a good thing, because the EU and the U.S. have a great deal to offer one another, and certainly in the field of science and innovation.

Why do I say this?

For three main reasons: we have common challenges, we have well-matched capabilities and we have shared values.

Taking common challenges first, we are both struggling to overcome our economic malaise. By working together, we can boost our competitiveness, create jobs and support economic growth.

In the area of health, we are both facing problems with ageing populations and obesity. Access to secure, affordable and sustainable supplies of energy is another important and common issue. With our huge and ever-growing dependence on information and communications technologies, cybersecurity is a vital concern. And slowing down and adapting to the effects of climate change is a growing imperative.

Taking the second reason for us to work together, while the EU and the U.S. have common economic and societal challenges, we are also uniquely matched to take up these challenges together. As a world leader in research and innovation, Europe is an indispensable partner to the U.S, and vice versa.

While the Union accounts for just 7% of the world population, it is responsible for 24% of world expenditure on research, 32% of high impact publications, and 32% of patent applications. We win an outsize proportion of the Nobel laureates offered in the fields of physics, chemistry and medicine.

We have many world-renowned centers of excellence, producing breakthroughs in both basic and applied sciences. The CERN nuclear physics center near Geneva is one example. The experiments it conducted last year have advanced our fundamental knowledge of the universe, by finding the elusive Higgs boson, which was long ago predicted by a European scientist.

The Max Planck Institute of Germany and CNRS in France are other instances of European excellence. Their networks of world-leading researchers make outstanding contributions to leading scientific questions. And we have world-class universities like Oxford and Cambridge in the UK.

Turning to the private sector, industry in Europe continues to show its willingness to invest in science, technology and innovation. In the face of our continuing economic and financial woes, EU-based enterprises continue to rely on R&D for their competitive edge. R&D investment increased by 8.9% in 2011, up from 6.1% the previous year. This increase matches that of U.S. firms at 9.0%, beats the global average and is ahead of Japanese companies at 1.7%.

Moreover, Europe is an attractive place for our partners to come to do their research. This is true on many levels; not only in terms of our capabilities and the many available opportunities in research and innovation. It is also due to our deep and diverse arts and cultures, our beautiful landscapes, our vibrant cities, our varied cuisine and many other features. We are promoting transatlantic brain circulation with a series of events here in the US, dubbed the Destination Europe initiative.

At these events we showcase existing and future opportunities within our Member States and at the EU level, and highlight the positive experiences of those that have made the leap across the Pond. Successful events in Boston and San Francisco last year will be followed by a series of events, notably at the AAAS annual meeting which starts tomorrow and a dedicated event on February 22 in Cambridge,

Massachusetts back to back to the European career fair at the MIT.

The third reason for us to work together is our shared values. In this domain I am pleased to say that we are already working together on the world stage. In particular, we have begun to cooperate to help maintain and improve global standards in the conduct of science, including for peer review, ethics and integrity and open access to scientific results.

In this endeavor, I would like to pay tribute to Director Subra Suresh of the National Science Foundation, and his leadership in the establishment of the Global Research Council. I also appreciate very much his support for the efforts the EU has been leading to develop a framework to coordinate, share and manage the costs of the world's most important global research infrastructures.

Acting together, the EU and the U.S. can promote a level playing field in the realm of science. But we must do so also in the realm of global trade and investment. We have common international partners and competitors, and so we share an interest to encourage and enforce fair rules for the treatment of

intellectual property and for the procurement of innovative products and services.

Ladies and gentlemen,

I came to Washington this week because I am personally committed to boosting cooperation in research and innovation between Europe and the United States. With our common interests, matching capabilities and shared values, we have a foundation on which we can build.

Our existing cooperation already hints at what we can achieve.

Yesterday, I had the pleasure to work alongside Assistant Secretary Kerri-Ann Jones of the State Department. We spent a stimulating day bringing together our respective colleagues, to explore how we can create a step change in the quality of our cooperation.

We considered the development of strategic collaboration in several areas of research and innovation, including in health, transport, transatlantic marine and Arctic issues and in critical materials.

I would like to acknowledge the positive spirit brought to these discussions by Kerri-Ann and her colleagues. I thank her also for her leadership role in bringing together the various science-funding departments and agencies and for acting as our generous hosts.

I am personally committed to the expansion of the scale and scope of cooperation between the EU and the U.S. We will devote substantial resources to these efforts.

The Council of the European Union recently decided on the level of the European Union Budget for the years from 2014 to 2020. The overall budget was subject to cuts. However, the only area that received a substantial increase was the one devoted to research and innovation.

That is because the Member States of the EU recognise the link between investments in science, technology and innovation on the one hand, and competitiveness, productivity and economic growth on the other.

Horizon 2020: the new Framework Programme for Research and Innovation will run from 2014 to 2020. Although the final shape and size of this programme is currently being debated, it will be the most open in the world.

It will address European excellence in science, industrial

competitiveness and tackling global challenges. Boosting engagement with industry, including small and medium sized enterprises, providing access to finance, and promoting public private partnerships will all be prominent elements. The development of skills and the development and deployment of key enabling technologies will be among its goals.

In support of these goals, we will boost the level and effectiveness of our partnerships, by implementing our new strategy for international cooperation in research and innovation. Through this strategy, we want to develop our competitiveness, tackle global problems and support EU policies as they affect our external relationships.

If we are going to grow our economies, provide quality jobs and solve global issues, the imperative for greater cooperation is clear. When it comes to competitiveness - and to making scientific breakthroughs on societal problems - having the most impact often means working with one's most capable partners. And that means working across the Atlantic.

Ladies and gentlemen,

Let me finish by saying that whenever they have had the means and the opportunity to do so, scientists of every nation have crossed borders to pursue their discoveries. The European Union will use our new strategy, funded by Horizon 2020 to provide those means and those opportunities, wherever they will best serve our policy goals.

We are committed to expanding our efforts with key partners, with the United States foremost among them. We look to you – our partners - to join with us in this endeavor:

- To boost our trade and investment, leading to badly needed jobs and economic growth;
- To develop our ability to compete and to cooperate with emerging powers;
- To address the common problems that plague our citizens and blight our world.

If you support this agenda, then I believe that the European Union and the United States are on the verge of a new horizon in our cooperation in research and innovation.

So let's move forward and continue to rediscover each other!

Thank you.