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WORKING PAPER

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From:	ERAC Secretariat
To:	ERAC (European Research Area and Innovation Committee)
Subject:	R&I Investments for sustainability and competitiveness

Delegations will find attached the PowerPoint presentation concerning the item 4.2 of the ERAC plenary agenda of 17 December 2019.



ERAC Plenary

17 December 2019

**R&I Investments
for sustainability
and competitiveness**

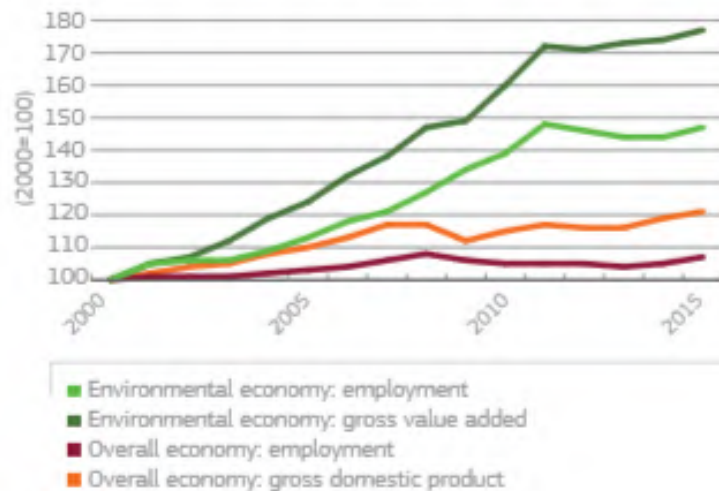
DG R&I, Unit A1

The world faces unprecedented challenges



R&I can turn sustainability into a competitive advantage

In the EU environmental economic sectors are growing faster than the overall economy



Source: Eurostat; European Commission.

R&I can deliver new technologies and solutions to global challenges while boosting industry competitiveness and contributing to sustainable growth.

R&I can steer and accelerate the economic, ecologic and social transitions by joining up resources, regulations and reforms that increase the quality and efficiency of R&I systems, polices, and investments.

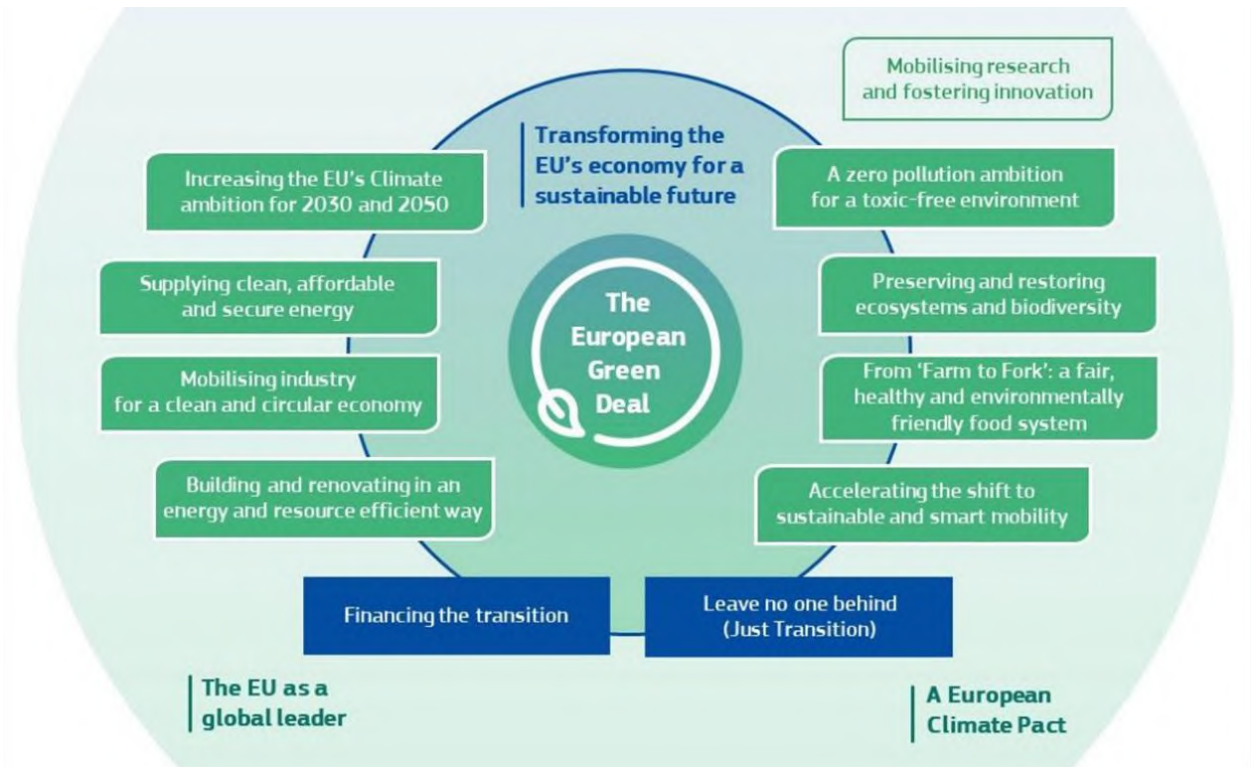


Directionality

We just witnessed a paradigm shift



“The European Green Deal is our new **strategy for growth**”



Green Deal Communication: “New technologies, sustainable solutions and disruptive innovation are critical to achieve the objectives of the European Green Deal”

In the pipeline

European Green Deal will require significant investment and leave no one behind

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EIB's Werner Hoyer: 'We aim for climate in everything we do'

By Claire Stam | EURACTIV.com

📅 24 Sep 2019 (updated: 📅 1 Oct 2019)

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Sustainable Europe Investment Plan



At least 25% of MFF to be dedicated to climate action



EIB to increase financing to climate action to reach 50% by 2025



€100 billion

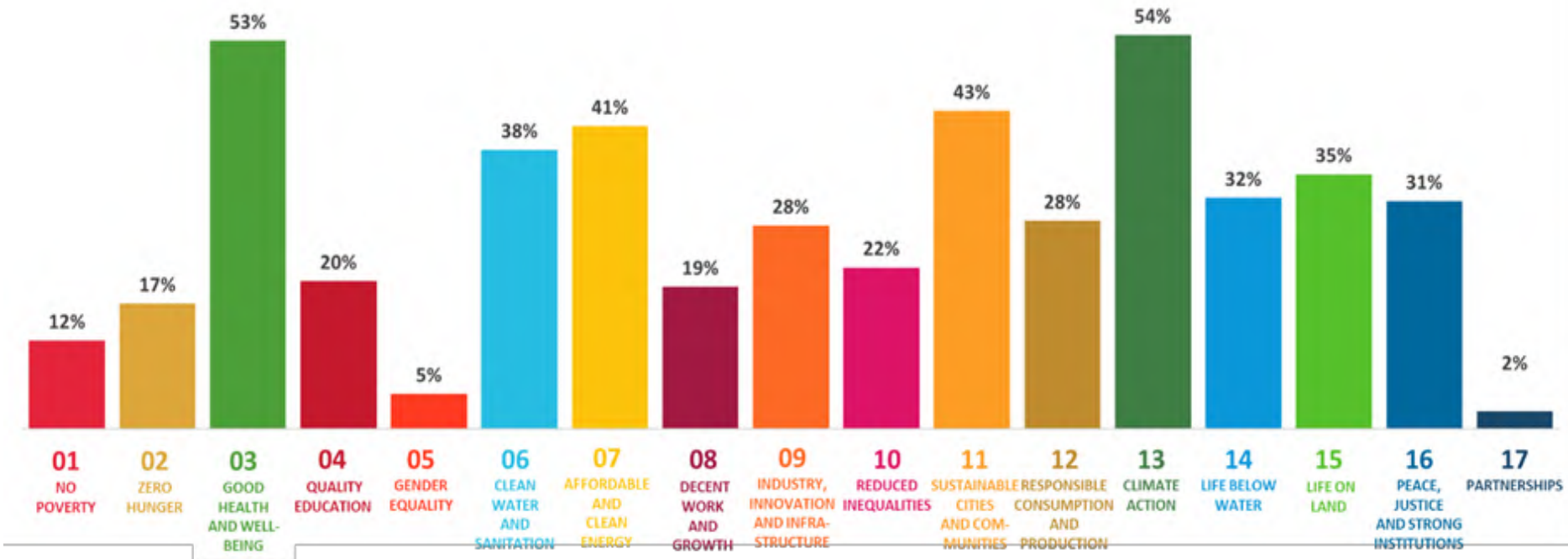
- State aid rules to boost green investment.
- Funding for just transition from the InvestEU programme and drawing on the resources of the EIB group
- Transition plan and strong governance.
- Technical assistance.

Just Transition Fund

- New Just Transition Fund under cohesion policy
- Leveraging resources from the European Regional Development Fund and the European Social Fund+.
- Co-financing by Member States.

FPs support to SDGs

84% of H2020 investments relate to at least one SDGs



Source: Upcoming Monitoring Flash #5 Sustainable Development Goals, DG R&I based on keyword methodology

R&I reforms and regulations must accompany investments

R&I investments will be complemented by reforms (sustainability in the European Semester and revitalised ERA agenda) and smart EU regulation



Italy to put sustainability and climate at heart of learning in schools

Country will become first to make study of global heating and human influence on natural resources compulsory in state schools



Designing a set of deeply transformative policies:
“The Green Deal will make consistent use of all policy levers: regulation and standardisation, investment and innovation, national reforms”

And policies are evolving

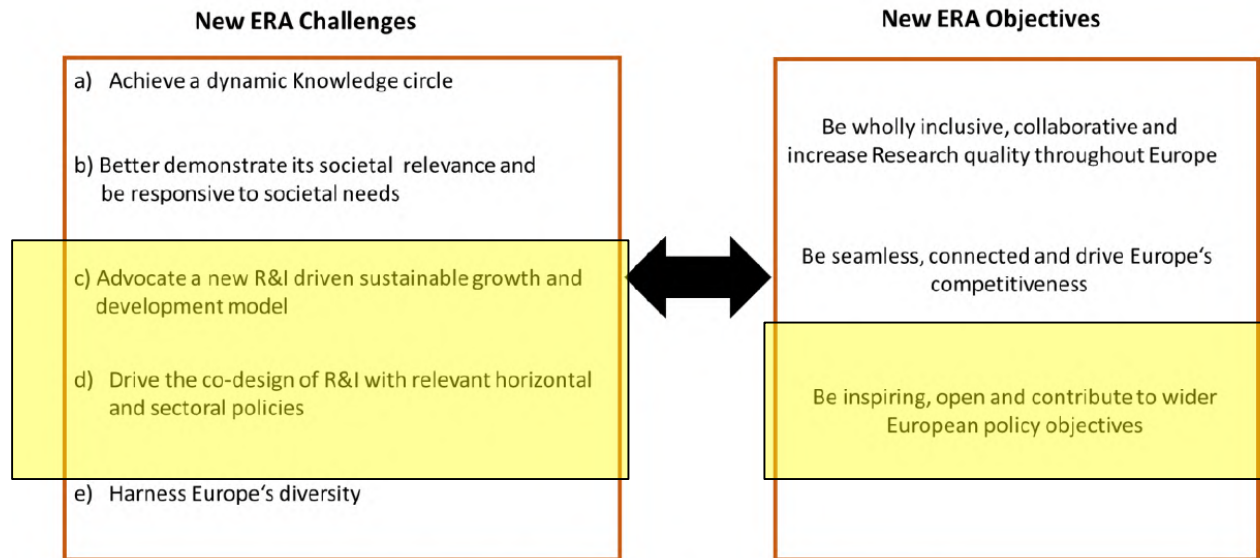
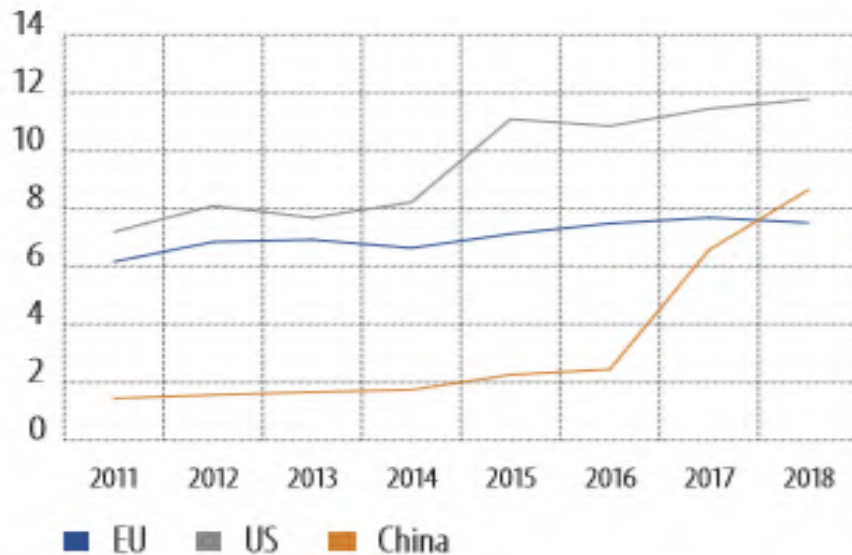


Figure 1: Relationship between ERA challenges and the new ERA objectives.

“ERA policies and actions at all levels should be (...) more relevant to the wider society, by means of smart directionality and investments towards solving societal needs. In particular, the ERA should contribute both to the Sustainable Development Goals (SDGs) and Europe's wider policy objectives”

MS new policy initiatives are emerging to support R&I for sustainable development and competitiveness

Investment in climate-related R&D,
2011-2018 (EUR billion)



Low global R&I Investments for sustainability.

Directionality requires mobilisation of the overall policy mix.

Questions for discussion

1. How can your country increase the directionality of national public R&I investment/funding to support the SDGs? What are the elements within the national systems with the greatest potential to support the transitions?
2. How can we best align national and European efforts towards directionality of R&I investments to maximise their effectiveness? How could progress be monitored?