

Corporate R&I towards Europe's Green Deal: An opportunity for new business and prosperity?

1st and 2nd July 2020

1. INTRODUCTION AND BACKGROUND

This workshop is part of the **Global Research & Innovation Analyses**¹ (GLORIA) project undertaken jointly between the Commission's Joint Research Centre and the Directorate General for Research & Innovation (R&I).

The most visible outcome of the GLORIA project are the **EU Industrial R&D Investment Scoreboards** providing economic and financial data and analysis of the top corporate Research & Development (R&D) investors from the EU and from abroad, based on company data extracted directly from the financial accounts of each company. The Scoreboard is published annually since 2004 in order to provide a reliable, up-to-date benchmarking tool for comparisons between companies, sectors, and geographical areas, as well as to monitor and analyse emerging investment trends and patterns.

GLORIA workshops are held in order to inform on issues addressed in our research surrounding the Scoreboard and obtain feed-back from around 40 participants representing different stakeholders about how the GLORIA activities are best serving their needs. GLORIA offers in particular empirical evidence to support policy-making and information and benchmarking tools for companies. Up to now, eleven workshops have been held.²

Corporate R&I activities are key to competitiveness. However, **EU manufacturing has lost ground** due to the low growth of the EU domestic economy compared to other main regions and its diminished participation in global manufacturing value chains.³ EU industry is facing different transitions at the same time, including the digital transformation and the transition towards a net zero emission and circular economy. Developing technologies, products and solutions for this while having access to finance, resources and human capital equipped with the right skills are amongst the **huge challenges to the EU as leading innovator in the world, which in turn is crucial for future industrial competitiveness**.⁴ This implies the **need for new business models and actors** to ensure future competitiveness and employment, with **additional opportunities arising from the Commission's recently proposed policy objectives**.

¹ See: <http://iri.jrc.ec.europa.eu/home/>. The activity is undertaken jointly by the Directorate General for Research and Innovation (DG RTD.F; see: <http://ec.europa.eu/research/index.cfm?!g=en>) and the Joint Research Centre, Directorate B Growth & Innovation (JRC-B; see: <https://ec.europa.eu/jrc/en/science-area/innovation-and-growth>).

² See: https://iri.jrc.ec.europa.eu/events?field_contenttype_target_id=6&field_startdate_value=All

³ See "[EU losing share in global manufacturing value chains](#)", *JRC Science for Policy Brief*, June 2018

⁴ See "[Innovation and Industry: Policy for the next decade](#)", *JRC Policy Insights – Industrial R&I*, December 2017, [Innovation and Industry](#)

The quest for a twin strategy of a digital transformation and a much needed transformation to achieve sustainability is at the heart of the Commission's policy priorities and the new initiatives proposed, notably the proposed European Green Deal⁵ and the Sustainable Europe Investment Plan which will support €1 trillion of investment over the next decade together with a more ambitious European Union's emission reduction target for 2030 towards 55%, on the way towards climate neutrality 2050.

R&I policies will be a key driver and critical success factor in addressing competitive challenges while leveraging the transition towards sustainability, e.g. by building on EU scientific and technological knowledge to develop solutions for green and inclusive growth. On the global level, this **tackles a very wide range of issues** from climate change and environment protection to human rights and governance. The EU has been leading on the global sustainability agenda with its commitment to align its policies with the Paris Agreement and the 2030 Agenda for Sustainable Development (and its SDGs), seeking to combine economic prosperity with environmental and social sustainability meaning. In this context, the focus is split between stimulating job creation, investment and prosperity in Europe and making the transition to a sustainable model of development.

All this implies **stronger elements of mission-oriented directionality** into R&I and industrial policies, producing the need for **deeper insights on investment gaps or barriers beyond R&I** that need to be identified in order to facilitate the transition towards sustainability and for implementing the Green Deal.

2. POLICY OBJECTIVES

To discuss:

- What could be mapped and identified as main European industry contribution to the European Green Deal in terms of: emission shares, potential in green and clean technology and solutions, investments, markets, the role of different players?
- How we can define competitiveness in the context of Europe's policy agenda (decarbonisation of energy-intensive industries, meeting the goals of climate-neutral and circular European economy)?
- What are the main industry issues and trends in addressing competitive challenges while leveraging the transition towards sustainability? (This can refer, for instance, to building on EU scientific and technological knowledge to develop solutions for green and inclusive growth and their applications)
- What can be new advantages in the European Green Deal context? Can these serve as an incentive for investments to meet sustainability objectives? What are the obstacles to be overcome?

⁵ See https://europa.eu/rapid/press-release_IP-19-5542_en.htm

- Identify the implications of the new policy agenda (requiring new technologies and business models) for current and future strategic value chains (and GVCs) and for the development of Innovation Networks at the local and global levels?
- How can policy better account for the heterogeneous needs and weaknesses of regions and firms with respect to the European Green Deal?
- Assessment and policy recommendations oriented towards Green Deal priorities and policy needs (beyond the 2019 Industrial R&I Investment Scoreboard analysis) How to further develop the Scoreboard in the light of decision makers' data and information ('business intelligence') needs?

Questions to be tackled at the workshop via short presentation and discussions:

- Session 1: The **competitiveness of corporate R&I**: What does it mean for Europe's Green Deal?

The first session is starting from the perspective of global R&I competitiveness and its contribution to sustainability, shedding light on the possible lessons for the new EU growth agenda, the Green Deal. In this context, EU companies have to face fierce competition from their US and Asian counterparts.

There is a need of synergies between relevant policy areas in order to contribute to the Green Deal, the new EU growth agenda, especially with respect to fostering industrial transformation.

- Session 2: Stocktaking and gap analysis: How can sustainable corporate R&I investment be **systematically measured** ? What can be used to link the setup to the monitoring of the Green Deal's objectives?

The second session will take stock and identify gaps **regarding monitoring sustainable corporate R&I investment and address challenges linking technology and industrial positioning to wider societal issues**. This allows to understand trends and policy ambitions in a wider perspective, e.g. the **transition towards I4.0** and the adoption of new production, innovation and work models that need to be sustainable from the – economic, social and environmental – perspectives, i.e. the **link to the SDGs**.

The day will be concluded by a policy round table where policymakers, experts from research and high education and industry representatives will discuss the policy relevance of the evidence presented and ideas on how to bring forward the research agenda of the GLORIA project. This should **highlight research gaps and areas towards a European model of corporate R&I for sustainable competitiveness**, which can contribute to "prosperity" as a core component of Europe's Green Deal and the global SDG agenda.

3rd GLORIA Workshop on:

Corporate R&I towards Europe's Green Deal:

An opportunity for new business and prosperity?

DRAFT Agenda

1st July 2020 (day1)

09:45 – 10:00

Objectives of the workshop and the Green Deal policy context

- Peter DRÖLL & Doris SCHRÖCKER (DG R&I F1) & Alessandro RAINOLDI & Alexander TÜBKE (JRC B3)

10:00 – 10:15

Large R&D investors and Green Technologies: evidence from the JRC

- Héctor HERNANDEZ (JRC B3)

10:15 – 11:00

Keynote speech - **Corporate R&I towards Europe's Green Deal: An opportunity for new business and prosperity?**

(30 min + 15 min Q&A)

- Kirsten DUNLOP, Chief Executive Officer, EIT Climate-KIC

Virtual coffee break 15 min

11:15 – 12:30

Session 1: The competitiveness of corporate R&I towards Europe's Green Deal

(15 min. for each presentation + 15 min. Q&A and discussion at the end of the session)

- Norbert MALANOWSKI
 - **Global Innovation Networks and ecosystems for the Green Deal: Current state of the literature, analytical approach and analysis**
 - VDI Technologiezentrum
- Antoine DECHEZLEPRÊTRE
 - **Innovation and competitiveness effects of green transition policies**
 - OECD
- Matei NEGRESCU
 - **The EU Green Deal and the opportunities for the Renewables Industry**
 - Equinor

END OF DAY 1

9:45 – 11:00

Session 2: Sustainable corporate R&I monitoring and reporting and links to wider issues

(15 min. for each presentation + 15 min. Q&A and discussion at the end of the session)

- Gwen YU
 - **RD&I in sustainable finance – getting it right?**
 - BNP Paribas

- Claudia CONRADS
 - **Hydrogen and the Green Deal: The example of ThyssenKrupp**
 - ThyssenKrupp

- Enric FUSTER
 - **Automatic identification and classification of SDG-related science and innovation activities by means of expert-driven machine learning**
 - SIRIS Academic

- Pierre BARTHELEMY
 - **R&I in the chemical industry: ways towards the Green Deal**
 - CEFIC

Virtual coffee break 15 min

11:15 – 12:15 POLICY ROUND TABLE

Implications, knowledge gaps and policy options in Corporate R&I towards Europe's Green Deal: An opportunity for new business and prosperity??

(30 min. for pitches between policy panellists + 30 min. Q&A and discussion)

What do we need to know the industry is doing in relation to the Green Deal objectives and the transformation of the big industries? What else we need to look at and enhance to steer the process?

Panellists: *Sean O'REAGAIN* (Deputy Head of Unit Sustainable Industrial Systems, DG R&I); *Muriel ATTANÉ* (Secretary General of EARTO); *Mats PELLBÄCK SCHARP* (Head of Sustainability, Ericsson), *Els VAN DER VELDE* (IDEA Consulting);

- Comments from ALL meeting participants

Roundtable discussion

Closing remarks from Doris SCHRÖCKER (DG R&I F1) (5 min.)