



Council of the
European Union

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NOTE

From: Presidency
To: Delegations

Subject: Draft Council conclusions on "Innovation and Research Friendly
Regulation/Framework conditions"
- Presidency text

Delegations will find in annex a Presidency text on Draft Council conclusions on "Innovation and Research Friendly Regulation/Framework conditions" with a view to the Research Working Party meeting on 11 March 2016.

DRAFT COUNCIL CONCLUSIONS
‘INNOVATION AND RESEARCH FRIENDLY REGULATION/Framework
CONDITIONS’

The Council of the European Union,

- RECALLING the Conclusions of the European Council of 24-25 October 2013¹, stating that investments in research and innovation fuel productivity and growth and are key for job creation while noting the need to accelerate structural reforms of national R&I systems;
- RECALLING the Conclusions of the European Council of 26-27 June 2014² which outline a 'Strategic agenda for the Union in times of change' with priorities set for the next five years in support of a Union of jobs, growth and competitiveness, including the need to invest and prepare our economies for the future by addressing overdue investment in research and innovation;
- CONSIDERING that economic recovery is too slow, too fragile and too dependent on our external partners, that the objective of smart, inclusive and sustainable growth, including the target to raise overall R&D investment to 3% of GDP, is more relevant than ever;

Creation of an innovation-friendly environment

1. REITERATES the importance of attracting private investments and creating maximum impact on jobs and growth, for which framework conditions for R&I are essential, including a clear and predictable regulatory framework conducive to innovation; ACKNOWLEDGES that Europe's ability to attract inward investments requires a pro-innovation regulatory context.

¹ Doc. EUCO 169/13.

² Doc. EUCO 79/14.

2. ACKNOWLEDGES the findings of the Commission Staff Working Document “Better regulations for innovation-driven investment at EU level” and AGREES that regulatory bottlenecks may be the result of barriers, non-supportive, unclear or unpredictable frameworks, implementation problems and absence of a level playing field due to regulatory gaps.
3. STRESSES the need for high quality R&I policies, better regulation and regulatory frameworks which are future proof, foster innovation and avoid imposing burdens on (new) innovative businesses and other organisations. UNDERLINES the necessity to take a forward-looking regulatory approach on a case-by-case basis, starting from sectorial business opportunities, to ensure a legal environment that is more open to innovation.
4. STRESSES that, when developing new legislation, the 'Innovation Principle' should be applied complementary to the precautionary principle; this entails taking into account the impact on innovation when considering policy or regulatory measures, and to create an environment favourable to initiatives by all actors in the innovation eco-system.
5. CALLS on the Commission and Member States to improve the EU and Member States' framework conditions for Research and Innovation and use all possibilities under the existing legislation to facilitate investments in innovation – also cross borders. INVITES the Commission and Member States, in view of rapid technological change and new business models, to provide experimental opportunities – pilot lines and demonstrators, among others – for scaling-up innovative solutions.
6. CALLS on Member States to urgently address the barriers to innovation identified, notably to speed up the ratification of the Agreement on a Unified Patent Court, to ensure a timely transposition of the EU Public Procurement Directives to remove national regulatory obstacles and burdens in the operation of European Venture Capital Funds.
7. CALLS on the Commission and Member States to take into account the impact on innovation when considering policy or regulatory proposals, and include this as part of ‘the Better Regulation Agenda’ and the REFIT platform.

8. INVITES Member States to take the necessary steps to identify regulatory uncertainty or obstacles to innovation in view of the interpretation of EU law by the public authority on national level and to identify concrete measures as a follow up.
9. CALLS on the Commission, in cooperation with Member States, to develop and implement new non-legislative tools at EU level, such as 'Innovation Deals'³; to be a pro-active partner together with stakeholders and national/regional authorities, in addressing existing regulatory bottlenecks at EU level that hamper innovation, in order to provide legal clarity, enable investments in innovation and facilitate the development and deployment of innovative solutions.
10. STRESSES the need for an innovation friendly business climate. CONSIDERS that a European startup visa scheme could boost Europe's economies, increase Europe's attractiveness for foreign startup founders and cut the red tape for scaling up within Europe. CALLS on the Commission, in cooperation with the Member States, to explore the possibilities for a European startup visa scheme, which include the proper conditions to accomplish the economic goal of the instrument.

³ Described in the Commission Staff Working Document 'Better Regulation for Innovation driven Investments at EU level'.