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The European Commission is currently drafting a Strategic Plan on how the Horizon Europe programme will achieve its objectives in order to improve the Program's implementation. The validation of the text is expected in the first semester of 2020. It was fed by several stakeholders' consultations during the year. The following position gathers France Industrie's priorities concerning the **general orientations** of the forthcoming Strategic Plan.

1. MAKE THE EU A GLOBAL INDUSTRIAL LEADER BY ARTICULATING HORIZON EUROPE WITH AN AMBITIOUS EUROPEAN INDUSTRIAL POLICY.

1.1. Underline Horizon Europe's objective: EU industrial global leadership in a context of strong international competition

- Horizon Europe should **serve sustainable growth and strengthen European companies' competitiveness, excellence and resilience vis-à-vis the rest of the world in order to guarantee EU strategic autonomy in a fast-changing economy** (market opening, distortive competition).
- **The Strategic Plan should embrace a long-term vision:** it will operationally last 4 years but should develop a **10 years vision**. It will be more consistent with the long-term approach of industrial projects from innovation to deployments (including investment returns) and standards setting at global stage. It will also better tally with the European partnerships' duration of 7- 10 years. This long-term approach should stay balanced and flexible enough to adapt the fast evolution of RD&I activities without undermining private cofounded R&I activities.

1.2. Insist on low-carbon and digital transitions as key challenges and drivers

- Low carbon transition should be one of the main leverages for European industries' global competitiveness and attractiveness. **Horizon Europe should help European industry to pursue the objective of carbon neutrality by 2050 by investing massively on innovative processes and products.** This objective could be pursued if the public authorities set the right conditions in terms of new technologies funding (for instance Carbon Capture and Storage and Carbon Capture and Utilisation) and supply/demand stimulation for low carbon and zero-carbon solutions. This support would be necessary to avoid economic uncertainty and to mitigate the risk associated with investment in disruptive innovation.
- Digital transition is the other main challenge facing **European industry in its race towards the "Industry 4.0" model** and should be highly supported through partnerships, KETs and synergies with the "Digital Europe Program".

1.3. Adopt a strategic value chains (SVC) approach

Value chains should be defined as a "set of interdependent economic activities creating added value in the form of a given product or service and a group of interlinked economic actors, operating in a strategic network across firms, sectors and borders" (Strategic Forum Report).

- The 9 SVCs recently identified in the IPCEI Forum should be explicitly integrated in the strategic plan: **connected, clean and autonomous vehicles, smart health, low carbon industry, hydrogen, Industrial IoT, Cybersecurity, microelectronics, HPC and batteries.** The list needs to **stay open** and **flexible** in order to **add other key areas**. The integration of the SVCs in the strategic plan should be cross-cutting, through all of the plan's priorities. The SVC approach should act in

synergy with missions, partnerships and KETs and implies a better connection between European programs corresponding to the different phases of the innovation chain (Connecting Europe Facilities, Digital Europe, etc).

- European Industrial value chains are of **increasing importance for Europe strategic autonomy** in terms of security of supply and technological independence. They help to overcome industrial sectors fragmentation, deepen SMEs' integration via specialized cooperation, reinforce the basic industrial activities and finally contribute to the single market integration's achievement and ambition (low carbon economy, deep-tech projects, etc). Far beyond, strategic value chains **support the emergence of industrial leaders**, which better fit for global competition, in an innovative and collaborative ecosystem.

1.4. Stress the next Key Enabling Technologies (KETs) generation development:

- **Micro and nanoelectronics, biotechnology, advanced materials, robotics, photonics technology, artificial intelligence, cybersecurity, connectivity and advanced manufacturing technologies** must remain a priority of the structure and technological scope of RD&I funds. It is necessary to continue the development of KETs funding by European Structural Funds through the EU's regional smart specialization strategy and to better define KETs projects as basis for innovation in a range of products across all industrial sectors, for multiples industries applications and able to tackle societal challenges.

1.5. Condition reciprocity for third countries participation: the participation of third countries companies in European Program should be **conditioned to the same openness of access** for European companies in the country, particularly regarding program with technological components, in order to avoid competition distortion.

1.6. Secure IPR: protect data access and frame exploitation and dissemination conditions: open science should **respect the FAIR principle** "*As open as possible as closed as necessary*", especially for European subsidiaries of foreign companies. The nature of available data should be specified. **The exploitation and dissemination conditions should take into account the specificity of each industrial sector's reality** in order to avoid any legal uncertainty.

2. EUROPEAN PARTNERSHIPS SHOULD BE SECURED AND STRENGTHENED AS CORNERSTONE OF RD&I PROJECTS

2.1. Insist on the strategic added value of PPPs in terms of impact: PPPs are more likely to achieve **higher impact than programme or national actions alone by carrying forward European collaborative research in both incremental and disruptive ways**. They allow to accelerate the time to market innovation and complete the value chain. More generally, they ensure that RD&I activities contribute to achieve the common EU forward-looking vision for their sector of intervention, embraced by all stakeholders supporting the Commission in setting future policies.

2.2. Mention the implementation modes and secure the JU/JTI (art.187 TFUE)

- Joint Undertakings optimize the allocation of Union resources by ensuring a dedicated professional follow up and agile operations of EU private funds towards RI programs based on legally binding commitments of the industry and a strong engagement of all stakeholders. They also maximize skills by capturing the know-how and technologies from other sectors as well as network capacities. Finally, they give a stronger voice at European level by promoting European standards and regulatory framework, while matching the need for long term policy objectives.

- In that view, the following partnerships should be developed under art. 187 TFEU: **Innovative Health initiative, HPC, KDT, Smart Network and Services; Transforming Europe’s rail system, Integrated Air Traffic Management, Clean Aviation, Clean Hydrogen and MOSART.**
- The industry should stay involved within the governance structure of institutional PPPs. The governance should ensure a fair balance between private stakeholders’ rights and duties since industries are involved in a long term participation for the future JU in terms of R&I investments and partnership’s governance. This investment is crucial for leveraging the EU budgetary contribution.

2.3. Synergies

- **Develop synergies between partnerships under Horizon Europe and other EU programmes,** such as the Connecting Europe Facility, which are able to support large-scale deployment of innovative solutions and therefore deliver higher societal impact (joint calls for proposals, better cooperation between managing entities), with a view to ensure the complementarity of support at different Technology Readiness Levels.
- **Strengthen the connections between partnerships:** numerous partnerships could work together, their synergies should be better exploited and **the progresses made in one partnership should benefit the others** (2ZERO and MOSART for instance).
- **Connect partnerships and missions through a shared governance** in order to better target the missions funding and to **strengthen the consistency between the 3 pillars, European partnerships projects (JU/JTI, cPPPs, EIT-KICs etc) and missions,** particularly given the short duration of mission boards’ membership (18 months). An interaction with EIC should also be considered.

2.4. **Precise the potential involvement of Member States in European partnerships** in order to **prevent any aftermaths on the industrial stakeholders’ agility and capacity to co-build the partnerships and to be involved in a highly positive way for their success.**

2.5. **Keep a roadmap dynamic:** even if the Commission privileges the “impact” approach for partnerships, it should be combined with a roadmap dimension to **better structure the partnership on a pluriannual timeframe** (necessity of milestones, flexibility and inclusion of the rapid evolution of technology), particularly for the co-programmed partnerships (ex-cPPPs).

2.6. **Mention clearly the partnerships in the core of the text (for the annexes-clusters part)** in order to **better link partnerships to R&I orientations** in the cluster, particularly for “Digital, Industry and Space” and avoid listing them at the end of the chapter. The annexes should have a similar structuration.

About FRANCE INDUSTRIE

Based in Paris and Brussels, France Industrie is the unified organization representing the French industry and brings together 40 CEOs of the largest French private and public companies (operating in all industrial sectors) and 20 federations of industrial sectors. Chaired by Philippe Varin - who has also been appointed by the French Prime Minister Vice-Chairman of the French National Council of Industry - is meant to be the main business interface with French and EU public authorities on the industry’s major challenges.