

Ladies and gentlemen,

- Following Commissioner Reding's signature of INRIA's adherence letter to the European Charter for Researchers and the Code of Conduct for the Recruitment of Researchers, I'm very pleased to talk to you today about another aspect of the European Research Area where we can improve our performance: our management of scientific knowledge.
- Before going into detail on that point, I will put it into context. Following the publication in 2007 of, and broad stakeholder debate on, the Green Paper on the European Research Area, the Commission is, in 2008, launching a number of initiatives. Their ultimate aim is to increase the excellence of European research.
- These initiatives are:
 - A framework to help Member States to identify and develop joint public research programmes; (due in July)
 - A partnership for a European researchers' passport for mobility and career development (adopted on 23 May);
 - An appropriate legal framework to facilitate the building and operation of pan-European research infrastructures; (due in July)
 - A common strategy for international S&T cooperation for the Community and Member States. (due in July)
- ...and
 - A Commission recommendation and code of practice on the management of IPR in public research institutions (adopted in April 2008).
- It is on this latter initiative and its associated actions that I shall focus today.
- Europe is among the best in the world at producing high-level scientific knowledge. There is, however, significant room for improving the conversion of this knowledge into socio-economic benefits such as new products, new jobs and new companies.

- In particular, knowledge transfer between public research organisations and industry is not as effective as it could be. This limits the **exploitation** of (publicly-funded) research results.
- One of the most important aspects of effective knowledge transfer is the proper management of intellectual property. Recent surveys have shown that European research organisations perform better than North American research organisations in terms of the number of start-ups established – I note the impressive track record of INRIA in this regard as an incubator for a large number of start-ups.
- Unfortunately, whilst we in Europe outperform the US in terms of start ups created, more inventions are disclosed, and more patents are applied for and granted in North America than here. Furthermore, the US generates more revenue than Europe from licences of intellectual property.
- This is what **we have to put right**. Several EU countries have already made a start. Some have developed new legislation, set up new agencies, created new guidelines or model contracts.
- These initiatives are good, but they only address the lack of knowledge transfer in a national context. So the EU continues to suffer **fragmentation** as a whole, which is an issue as **transnational** knowledge transfer becomes more important. This is due to the increasing globalisation of research and innovation, and to the limited size of the national "market" of many Member States.
- The practical problems we face result in particular from significant **discrepancies** between Member States regarding the legal contexts and practices relating to knowledge transfer. These include institutional and cultural differences among public research organisations. And of course, there are often too few people working and skilled in the areas so crucial to knowledge transfer.
- In order to address this, the Commission adopted in 2007 a **Communication** on knowledge transfer. It provided policy orientations based on good practices from Member States, as well as Commission-sponsored initiatives.

- What we need now is to ensure that knowledge transfer gains sufficient visibility and attention. This is why we need to develop a **common European framework** for knowledge transfer.
- For this reason, I am pleased that the German presidency launched in 2007 an "**IP charter**" initiative, as this has mobilized stakeholders and stimulated the take up of best practices. This initiative was endorsed by the Council, which then invited the Commission to develop such a European Charter, consisting of a Recommendation to public authorities and guidance for stakeholders.
- In that context, the Commission developed and recently adopted (in April 2008) a **Recommendation on the management of intellectual property in knowledge transfer activities** and a **Code of Practice for universities and other public research organisations**. This is the first initiative to be realised from the "European Research Area Green Paper" of April 2007.
- The Recommendation differs from the 2007 Communication in several aspects. First, due to its legal **status** the Recommendation is addressed much more directly to Member States. Secondly, the Commission, in partnership with Member States, will swiftly put in place appropriate arrangements for **facilitating and monitoring implementation** of the Recommendation, and promoting its effective take-up by stakeholders.
- Thirdly, the Recommendation places more emphasis on the **international dimension**: that is - how the Code of Practice can be used in negotiating R&D collaborations with non-European organisations. This should reduce the risk that unfair terms and conditions might be imposed on European entities.
- As I said previously, **effective management of intellectual property** is a key element of improved knowledge transfer, and this is therefore the focus of the Recommendation, which essentially contains:
 - (1) policy principles addressed to Member States concerning the development or enhancement of national policies in this field ;

- (2) a "Code of Practice" directed at public research organisations containing operational principles for dealing with intellectual property.
- The Commission will take a number of additional steps to facilitate knowledge transfer in Europe, both by extending certain **operational actions** – such as the former "Innovation Relay Centres" network, now renamed "Enterprise Europe Network" –, and by launching new ones.
 - Amongst these, I would like to mention the "**Knowledge Transfer Stakeholder Panel**", under which a limited number of high-level representatives of universities, other public research organisations, industry and public authorities would meet regularly (e.g. 2 or 3 times a year) to discuss knowledge transfer issues of European relevance. This group could also, in the medium term, review the text of the Code of Practice, or complement it by developing more specific guidance in certain areas.
 - Coming back to the institutional process, the **Council** will in the coming days adopt a **Resolution** welcoming and supporting the Recommendation, and encouraging its implementation at a national level.
 - I hope this will play a role in ensuring an effective take-up, and that the Recommendation and Code of Practice will lead to greater **coherence** of intellectual property rules and systems; reduced discrepancies between national regulatory frameworks, policies and practices; and improved conditions for more effective research cooperation and knowledge transfer across Europe.

Ladies and gentlemen,

- Some of you may remember that many years ago, to get from one European country to another by train involved changing trains at the border. That was because the different countries had different sized tracks. Standardising track sizes allowed people to travel more freely throughout Europe.
- We have to do the same for knowledge. At the moment, knowledge transfer is reaching the end of the line too quickly, both in EU countries and especially between them. I believe that if we continue to work together we can achieve the same result: a

framework which will enable research organisations and industry to engage more actively in the effective and straightforward transfer of knowledge throughout the European Union.