

CEN Identification number in the EC register: 63623305522-13 CENELEC Identification number in the EC register: 58258552517-56

Position Paper

NEW EUROPEAN INNOVATION AGENDA May 2022

Background Information

Introduction

CEN (European Committee for Standardization) and CENELEC (European Committee for Electrotechnical Standardization) welcome the EC's consultation on the new European Innovation Agenda. CEN-CENELEC/BTWG 3 'STAIR' is the focal point within CEN and CENELEC for any matter related with integrating standardization with innovation and research. Members of the working group have directly contributed to this position paper.

Innovation is paramount in the world of today and tomorrow: the ability to develop new technologies and have them quickly access the market determines the ability to influence the global economy. In this rapidly changing technological environment, standardization has a fundamental role to play. Standards and standardization are recognized as tools for promoting innovation for both policymakers and businesses, as standards allow to codify knowledge and make it accessible to a wide range of stakeholders. This is even more reinforced by the EU Strategy on Standardisation, Setting global standards in support of a resilient, green and digital EU single market, from February 2022.

We, therefore, believe that standardization should be seen as a tool to reinforce European capacity to accelerate and master innovative solutions, which should be considered in the development of the new European Innovation Agenda.

Standardization in support of the new European Innovation Agenda

Access to finance: scale-up gap



The <u>EU Valorisation Policy</u> recognizes the value of standards in helping researchers bring their innovation to the market by making their results transparent and ensuring high quality, building consumer trust in innovative technology, and codifying the technology requirements.

Standards can also support start-ups and spin-offs, playing a leading role in bringing research outcomes to the market, with the go-to-market. It can also give more credibility to the potential of the business to scale up. This can ultimately lower the potential risk for investors. The <u>success story of Bitmovin</u>, a multimedia technology company that was established as a research spin-off at Klagenfurt University, shows how standards can be used as a vehicle to promote new technology development and to attract investors.

Raising awareness about standardization among start-up and scale-up communities and strengthening collaboration between Standards Development Organization and high-impact schemes such as the European Innovation Council (EIC) can support the creation of framework conditions for scaling up in Europe.

CEN and CENELEC activities can be relevant to:

- EIC Pathfinder: Standards are a crucial tool to value research results. Codifying
 the knowledge developed by early research stages in standards can help
 translate research results into market ready innovation and support the
 development of future and emerging breakthrough, market-creating and deep
 tech technologies.
- EIC Transition: Standardization can help researchers and innovators to develop the pathway and support the business case for commercial development of promising research results.
- EIC Accelerator: Innovative companies, including start-ups and SMEs, can benefit from taking part in setting new standards to create new markets and increase the speed of adoption of innovation.

Framework conditions, including legislation: scope for more pro-innovation regulation

The European Standardization System is a powerful tool to address changes in technological market needs and evolutions as it provides a strong framework to enable the seamless deployment of innovation.

Standards can serve as a catalyst for innovation and help anchor these outcomes quickly in the market. Every time technology advances, changing standards rather than legislation allows for innovation to thrive. Standards help shorten the cycle between initial concept and market access.

European policy initiatives (e.g., Data Markets Act, Chips Act, Artificial Intelligence Act, Europe's Green Deal) should make use of standards and of CEN-CENELEC standardization deliverables. Relevant legislation should make consistent reference to



European harmonized standards to benefit from the in-built expertise and thereby enable innovation-friendly legislation.

Fragmentation of the EU innovation ecosystem: need to strengthen and better connect innovation ecosystems mobilising different funding instruments

European standards and standardization can function as powerful and strategic policy tools to improve the efficiency of European policies and influence most areas of public concern. It can be the competitiveness of industry, the functioning of the single market, the protection of the environment and of human health, and/or enhancement of innovation.

This approach is strongly in line with CEN and CENELEC's single standards model, which avoids fragmentation in the market, ensuring coherence in the market and the effective use of industry and SMEs' resources.

Furthermore, standards act as common language of communities of actors agreeing with one another through consensus on how to behave. Therefore, standards are an incredibly powerful meaning to take forward as an enabler of change, allowing for the heightened collaboration between innovation and industry.

Innovation performance: differences among EU regions

European Standards are one of the pillars of the European Single Market. As standards are adopted identically across 34 countries, withdrawal of conflicting national standards takes place simultaneously.

Thanks to the well-functioning public-private partnership that constitutes the foundations of the New Legislative Framework, CEN and CENELECs structure of 34 members allows for pan-European support to various European Union ambitions such as the EU Green Deal, the EU Circular Economy Action Plan, the New Industrial Strategy for Europe, and the EU's Trade Strategy. This high level of cooperation provides ample opportunity to bridge the innovation divide between the different members, benefitting from the network and resources available to them as part of the European Standardization system.

Following the Horizon Europe call for a Standardization Booster, <u>HSBooster</u> has been launched by a project consortium including CEN-CENELEC members, providing expert services to research and innovation projects. This will help researchers increase impact and exploitation of project results by contributing to the creation or revision of standards.

Talent: developing and attracting entrepreneurial talent, encouraging diversity

Technological and societal changes present new challenges within the European and global economic context, which means markets are evolving and new skills are in



demand. To continue to prosper, European businesses must be competitive. We therefore believe it is very important for the next generation of entrepreneurs to understand standards – what they are, what they do, and the positive impact they have on organizations, the economy and society at large. At a time when knowledge is increasingly abundant and innovation eco-systems are opening, it is crucial to raise awareness and spread knowledge about standardization as a powerful tool to bring new technologies to market and drive future businesses.

Standardization skills should be complementary to management and digital skills for the European industry to compete successfully in the global, innovation-based economy. The global race for talent requires the European workforce to acquire highlevel skills and continuously improve them to boost employability and fuel competitiveness and growth. This is also highlighted in the EU Strategy on Standardisation from February 2022 addressing the need for education and skills to ensure future standardisation expertise strengthening the competitiveness and ability to innovate of Europe in a global environment.

CEN and CENELEC are undertaking different activities to boost standardization expertise among the next generation of entrepreneurs, including attracting young researchers and entrepreneurs with an annual Innovation Award competition.

Encouraging diversity and representation are at the core of the standardization system, therefore CEN and CENLEC are fully committed to reducing the inclusiveness gap in technology and innovation. In support of <u>CEN and CENELEC Strategy 2030</u>, which is in alignment with the EU Strategy on Standardisation, a gap analysis is currently ongoing to identify needs that should be addressed to strengthen the effective participation of all stakeholder categories in CEN and CENELEC work, in order to demonstrate and further consolidate the diversity, inclusiveness, openness and transparency of our system.



ABOUT CEN AND CENELEC

CEN (European Committee for Standardization) and CENELEC (European Committee for Electrotechnical Standardization) are recognised by the European Union (EU) and the European Free Trade Association (EFTA) as European Standardization Organizations responsible for developing standards at European level, as per European Regulation 1025/2012. The members are the National Standards Bodies (CEN) and National Electrotechnical Committees (CENELEC) from 34 European countries. European Standards (ENs) and other standardization deliverables are adopted by CEN and CENELEC, are accepted and recognized in all of these countries. These standards contribute to enhancing safety, improving quality, facilitating cross-border trade and strengthening of the European Single Market. They are developed through a process of colaboration among experts nominated by business and industry, research institutions, consumer and environemental organizations, trade unions and other societal stakeholders. CEN and CENELEC work to promote the international alignment of standards in the framework of technical cooperation agreements with ISO (International Organization for Standardization) and the IEC (International Electrotechnical Comission).