

> THE EUREKA INITIATIVE

THE DUTCH CHAIR: JULY 2004 TO JUNE 2005



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2004

> October

Highlighting European success in embedded software The fifth annual ITEA Symposium in Seville published its mid-term assessment and the second edition of the ITEA technology roadmap. The 2004 ITEA Achievement Award went to the Embedded Electronic Architecture for the European Automotive Industry project, which developed a common software interface for electronic devices in cars.



> November

Key role in micro- and nano-electronics The MEDEA+ Forum in Paris emphasised its key role in the European microelectronics industry and marked the start of its second phase, running to 2008. The first Jean-Pierre Noblanc Award for Excellence went to the technology project 'CMOS logic 0.1 µm and below', which has established rules for the large-

scale fabrication of next generation sub-100nm devices.

EUREKA website relaunch The EUREKA website was relaunched to facilitate navigation.



2005

> January

Two new members join EUREKA Monaco and San Marino became full members of EUREKA, judging the Initiative to be one of the most effective tools to boost their collaboration in European R&D.

> February

Parliament highlights EUREKA benefits European Parliament Locatelli report on guidelines for future EU policy to support research included key amendments on EUREKA as an example of public and private partnerships, research clustering and as a model that provides opportunities for SMEs to form partnerships and benefit from technology transfer.

Successful CELTIC Information Day Based on its Third Call, this information day in Heidelberg, provided opportunities for companies to establish initial contacts, bringing to life the possibility of capitalising on ideas for new project proposals.



> March

Raising awareness in the European Parliament EUREKA highlighted its key role in enabling Europe to reach the Barcelona objectives in a presentation to the EP Industry, Research and Energy (ITRE) Committee. Irish MEP Mrs Avril Doyle emphasised the importance of EUREKA in keeping scientists in Europe.

> May

IPC calls for more funding The XV EUREKA Interparliamentary Conference (IPC) in the Dutch Parliament agreed national policies supporting research and innovation should be better coordinated and funding increased to reduce the gap in innovation



capacity between Europe and its main competitors.

> June

Paris round table EUREKA's bottom-up approach was pronounced applicable to any type of project at the European Research and Innovation event. The fact that over 40% of participants are SMEs was seen as a tremendous benefit to European innovation and industry.

EUREKA Industry Day The final statement issued at Schiphol by industry highlighted the need for stability, predictability and coordination in funding for innovative research in Europe, particularly through improved synergy with the EU Framework Programme, to prevent R&D activities moving outside Europe.

New Umbrellas Three new Umbrellas endorsed: Σ!3610 InnoFisk in aquaculture; Σ!3603 ENIWEF in tribology; and Σ!3584 EConTec in e-content.



The Dutch Chair set out to work on the follow-up of the recommendations of the June 2004 Ministerial Conference in Paris, improving the overall funding situation and project assessment mechanisms and placing EUREKA within the European Research Area (ERA).

The period 2004-05 proved to be the fourth best year in EUREKA's history with record SME project participation and nearly €1,600 million committed from public and private sources. Overall, industrial participation was 70% and SME involvement some 42%.

Key achievements included:

- > Improving complementarities with the EU research Framework Programme with the launch of the 'EUROSTARS' proposal to use EU Treaty Article 169 to encourage a joint national/EU programme for R&D-performing SMEs;
- > Establishing dialogue at political and industry level to improve the performance of EUREKA overall as reflected in the statement adopted at the EUREKA Industry Day in June 2005 and outcome of the XV EUREKA Interparliamentary Conference. Establishing an advisory committee consisting of industrial and academic members to improve dialogue with EUREKA;
- > Setting up permanent external evaluation of EUREKA projects by

independent experts to strengthen the EUREKA quality label; and

- > Introduction of a two-step procedure to ensure funding is available before projects are labelled for Clusters and Umbrellas to boost further the credibility of such labels.

I am convinced that the Czech Chair will do an excellent job and wish the team the best of luck in their objectives to boost industry involvement, raise the political profile of the Initiative and reinforce member commitment.



*Roel Kramer,
Chairman of the High Level Group in the
Dutch Chairmanship Year (2004-2005)*



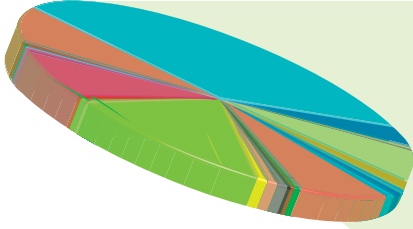
2004-5 Network overview

Key statistics

Overall funding for EUREKA projects in 2004 to 2005 showed an increase over previous years with some

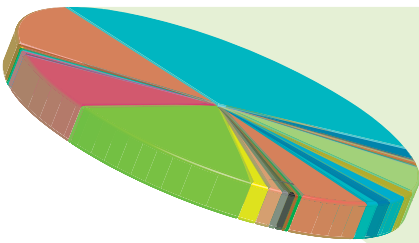
€1,580 million committed from public and private sources, the fourth best year in EUREKA's 20-year history. Funding included

181 innovative and Umbrella projects for €318 million and 62 new projects in the Clusters for €1,262 million.



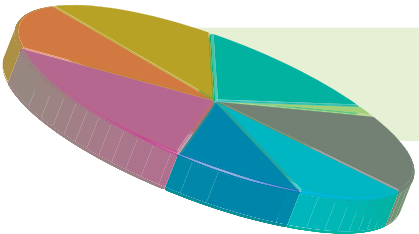
Austria	36 M€	Iceland	0 M€	Romania	5 M€
Belgium	128 M€	Ireland	3 M€	Russian Fed.	3 M€
Croatia	1 M€	Israel	14 M€	San Marino	0 M€
Cyprus	0 M€	Italy	119 M€	Serbia and Mont.	1 M€
Czech Republic	10 M€	Latvia	2 M€	Slovak Republic	2 M€
Denmark	1 M€	Lithuania	10 M€	Slovenia	6 M€
Estonia	0 M€	Luxembourg	2 M€	Spain	142 M€
Finland	58 M€	Monaco	1 M€	Sweden	18 M€
France	560 M€	The Netherlands	225 M€	Switzerland	17 M€
Germany	145 M€	Norway	13 M€	Turkey	1 M€
Greece	13 M€	Poland	13 M€	United Kingdom	14 M€
Hungary	2 M€	Portugal	13 M€		

> New Cluster and innovative projects by member country



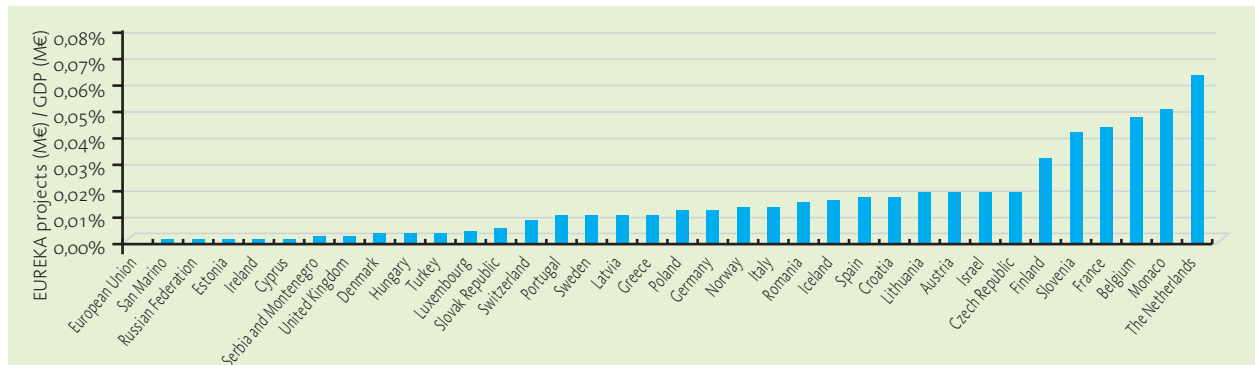
Austria	111 M€	Iceland	4 M€	Romania	15 M€
Belgium	328 M€	Ireland	7 M€	Russian Fed.	15 M€
Croatia	9 M€	Israel	45 M€	San Marino	0 M€
Cyprus	0,5 M€	Italy	450 M€	Serbia and Mont.	1 M€
Czech Republic	39 M€	Latvia	2 M€	Slovak Republic	4 M€
Denmark	17 M€	Lithuania	6 M€	Slovenia	20 M€
Estonia	0,3 M€	Luxembourg	3 M€	Spain	330 M€
Finland	117 M€	Monaco	1 M€	Sweden	72 M€
France	1709 M€	The Netherlands	735 M€	Switzerland	64 M€
Germany	704 M€	Norway	67 M€	Turkey	20 M€
Greece	41 M€	Poland	58 M€	United Kingdom	118 M€
Hungary	7 M€	Portugal	34 M€		

> Ongoing projects by member country



Biotechnology	10 %	Environment	9 %	Robotics	6 %
Communications	1 %	Information Techn.	8 %	Transport	7 %
Energy	8 %	New Materials	11 %		

> Ongoing innovative projects by thematic area



> EUREKA member participation in relation to GDP (EUREKA as a tool towards achieving the European 3% R&D objective)

Seeking support from European Parliament

EUREKA highlighted the key role it is playing in enabling Europe to reach the Barcelona objectives in a presentation to the Industry, Research and Energy (ITRE) Committee of the European Parliament in Brussels in March 2005. Since 1985, EUREKA has supported more than 2,600 research projects with a value of €24,000 million, focusing on the development of market-oriented products and services, involving 11,000 participants from SMEs, large enterprises and universities in Europe.

Mr Roel Kramer, Chairman of the EUREKA High Level Group, and Mr Michel Vieillefosse, Head of the EUREKA Secretariat, demonstrated that, thanks to EUREKA, thousands of scientists and researchers are working together developing innovative products in Europe. Mr Vittorio Prodi, Italian MEP, praised EUREKA's success as an example of best practices in European R&D. Mrs Dorette Corbey, Dutch MEP, contrasted the high success of EUREKA projects with the EU Framework Programme's lower rate, calling for further learning and sharing experiences between the two programmes. EUREKA representatives are now looking forward to the support of the Committee on co-operation with the European Commission in FP7.

IPC focuses on raising R&D investment

Delegates at the EUREKA XV Interparliamentary Conference in The Hague on 26 and 27 May attrib-

uted much of EUREKA's success to its flexible, non-bureaucratic, bottom-up approach to project generation, particularly appealing to SMEs, the 'drivers' of European economic growth. The IPC, consisting of members of parliament from the 36 EUREKA members, welcomed efforts by EUREKA and the European Commission in setting up EUROSTARS — an Article 169-based initiative initially for highly R&D-performing SMEs — and strongly urged all concerned to support this initiative financially.

The IPC also underlined the importance of EUREKA's involvement in creating public-private partnerships at a European level through its Clusters and Umbrellas in European Technology Platforms. Delegates agree that if the Barcelona objective of raising European public-private investment in R&D to 3% of GDP by 2010 is to be met and the gap in innovation capacity between Europe and its main Asian and US competitors reduced, national policies supporting research and innovation should be better coordinated.

Industry Day calls for better coordination

Some 60 industrialists from large and small European companies, together with representatives from industrial organisations and the European Investment Bank, participated in the EUREKA Industry Day. Placing great value on EUREKA and insisting it should stay separate from the EU research Framework Programme, it was argued that synergy between the two should be

improved. National governments should ensure stability and predictability in national public funding for innovative research, with simpler access and better synchronisation between countries.

The final industry statement insisted on the need for European governments to reinforce their commitment to competitiveness and growth by assigning appropriate budgetary priorities for public and private research funding at EU and national level. The statement also warned that, without improved financial and other commitments for European research and innovation, it is sadly inevitable that R&D activities will move to other parts of the world.



Rewarding the best of European innovation

Each year, EUREKA recognises and rewards the vision and commitment required to transform a groundbreaking idea into a successful product. The Lillehammer Award acknowledges contributions made to improving Europe's environment, developing sustainable solutions to waste and pollution problems. The Lynx Award pays tribute to fast-growing SMEs that have brought a successful innovative venture to the market.

2005 Lynx Award:

A safer and more environmentally friendly rechargeable battery

While researching a new rechargeable battery for electric scooters, French and Spanish partners in the €1.54 million EUREKA project Σ!2586 NITIN SCOOTER made the breakthrough that will finally make nickel zinc (NiZn) batteries economically viable. After 11 years of R&D, the 2005 Lillehammer prize-winning project developed a commercially viable substitute for nickel-cadmium (NiCd) secondary batteries, with higher performances and at lower costs and can now produce a safe alternative to NiCd that can be used for over 1,000 charging cycles. The Lillehammer Award was presented during the XVth EUREKA IPC Conference in The Hague.



2004 Lillehammer Award:

Making gadgets lighter, smaller and more energy efficient

Dutch microsystems and embedded memory specialist Cavendish Kinetics received the 2005 EUREKA Lillehammer Award for a breakthrough achieved with Dutch, German and UK partners in the EUREKA Σ!2839 MESCI-I project. This developed a nanoswitch technology that can be processed by conventional integrated circuit fabrication processes, offering novel manufacturing opportunities. The partners adapted existing proven technology allowing them to exploit a segment of a global market worth €200 billion. The approach will be particularly profitable for automotive and smart card applications. This year's winner was able to attract both national public funding and private capital.



20 year highlights



1985

The Hanover Declaration French President François Mitterrand developed the idea of a pan-European network to help bring collaborative R&D to the world stage to ensure European industry would not lose its place in the global race against the USA and Asia. This concept was formalised in Hanover, Germany in November that year — and EUREKA was born.



1989

Microelectronics initiative launched The JESSI initiative (Σ!127) was launched with a budget of €3,800 million. It proved highly successful in helping European industry gain lost ground on its Asian and USA competitors by harnessing the expertise of large and small companies in 13 countries.



1990

CEECs invited to get involved The then European Research Commissioner Filippo Pandolfi stated that EUREKA's flexible structure and strong industrial basis made it ideal for getting research between the East and West underway. Hungary became the first Central and Eastern European Country EUREKA member in 1992.

The EUREKA Initiative is marking 20 years of pan-European innovation in 2005 at a time when Europe is facing harsh realities in battling for market share and job opportunities in a globalised economy. The accelerating pace of technological advance, the need to manage enlargement of the EU and a constant struggle to outpace the USA and Asia pose severe challenges to the Lisbon Council objective. Crucial to success is the innovation that has traditionally sparked Europe's competitiveness, underpinned by a variety of national and European R&D programmes.

For two decades, the EUREKA Initiative has been an important element in the support process and is distinguished from other Europe-wide mechanisms by its focus on linking knowledge acquisition to early exploitation in the market-


place. It also pioneered research co-operation between eastern and western Europe far in advance of EU enlargement. And it will continue to ensure the success of European industry — particularly through its support for SMEs and its closeness to the market.

Promoting EUREKA at national level

The occasion of the 20th anniversary was used to promote EUREKA widely at national level throughout Europe. Member countries actively contributed to this celebration:

- In January, Iceland kicked-off the year's celebrations with an Information Day, while Austria launched its year long advertising campaign to improve awareness of EUREKA in Austria in bi-monthly innovation magazine Austria Innovativ.
- February saw Austria and Croatia carry out more celebratory events.
- In March, Austria, Croatia, Hungary, Lithuania and the UK held Information Days and events to continue the celebrations.
- April witnessed Lithuania, The Netherlands, Norway, Spain and Turkey holding promotional events and meetings.
- In May, Estonia, Croatia, Iceland and The Netherlands continued the celebratory efforts.
- In June, Austria, Croatia, Greece, Slovenia held various events, while and the Netherlands continued their efforts with the highly successful Industry Day. The European Research and Innovation Exhibition and Round Table were held in France, while Cyprus dedicated a whole week to its efforts in raising awareness and visibility of the EUREKA Initiative.

1996
First EUREKA website launched Under the Belgian Chairmanship, the first website was developed to make information on the Initiative, including the entire project database, easier to access.



1998
First Cluster launched Successor to JESSI, the MEDEA microelectronics Cluster launched as the first formal strategic initiative with a budget of €2,000 million.

2001
Lynx Award set up This award established under the Spanish Chairmanship pays tribute to the achievements of an SME that has recently brought a successful innovative venture to the market.

2003
PAM evaluation tool launched The Project Assessment Methodology consolidated common understanding of EUREKA projects, providing an additional tool for the initial assessment of projects.



2004
XXI Ministerial Conference in Paris This conference saw the launch of six new Clusters and the announcement of 212 new innovative projects with an investment of €518 million.





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