COMMISSION OF THE EUROPEAN COMMUNITIES

COM(86) 483 final

Brussels, 14 October 1986

COMMUNICATION FROM THE COMMISSION TO THE COUNCIL

on the extension and the revision of the
"Plan for the Transnational Development of the Supporting Infrastructure for Innovation and Technology Transfer"

("SPRINT" Programme)

Proposal for a

COUNCIL DECISION

modifying Council Decision 83/624/EEC concerning a plan for the transnational development of the supporting infrastructure for innovation and technology transfer

(submitted to the Council by the Commission)

Second annual progress report
of a
COUNCIL DECISION
(83/624/EEC)

Annex II

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1. The need for European cooperation in innovation and technology transfer

1.1 The international competitiveness of an industrial sector depends heavily its capacity for innovation. Rapid changes in national markets and increasingly short life-cycles of products and external competition make it imperative for European businesses to develop this capacity if they want to continue to lead the field or, in some cases, just to survive.

1.2 Innovation is the process whereby economic operators convert ideas originating in research and development laboratories or departments, or stemming from the discovery of a demand in the market, into new or improved commercially viable products, processes or services. The word "innovation" is therefore used by the Council in the context of the transnational development plan in its broadest sense. "Innovation" is not a synonym for invention or high-tech although these are often two major factors in the process. Innnovation is to be found in the distributive trades, service industries and traditional industries as well as in high technology industries without any particular sector being favoured. It is important to encourage systematic innovation, that is, the search for new opportunities and the exploitation thereof in order to enable industry to meet market needs and demands.

1.3 It is crucial to the maintenance and growth of the Member State's economies that innovation should spread, and spread quickly, throughout those economies, to as many regions, fields of activity and types of enterprise as possible. On the one hand geographical, financial, legal and social obstacles in the way of innovation must be overcome. On the other hand, any active means of converting research results more quickly into new products, processes or services should be encouraged.

1.4 Technology transfer, whether vertical (from research to industry) or horizontal (cooperation between research centres, trading in licences between firms), is an intrinsic part of innovation:

. vertical transfer is an integral part of the innovation process;

. horizontal transfer enables economies or enterprises, depending on where they stand, to take advantage of the discoveries of others or to generate income from the know-how acquired.

The transnational acquisition or sale of technologies by enterprises, particularly SMEs, can make an important contribution to the spread of innovation and the achievement of a true internal market within the Community.

1.5 It is the prospect of such a true internal market which gives the European dimension for innovation its full importance. European industries can no longer do without the economies of scale which are possible in this context. An innovation which would not be viable on the national market of 10 or 50 million possible buyers may well become so when the market size is 320 million, as may potentially be the case in Europe. This is particularly true in the high-tech sector where new products often have to be developed in very specialized and narrow sections of the market and where the national context is often too limited to make them viable. A firm which would therefore be unable to develop a new idea to a commercial level alone could do so as a joint venture, joining forces with another firm with complementary skills but which may be situated in another Member State. The free circulation of technologies and other know-how can lead to cooperation leading in turn to the creation of new products, processes or services. Cooperation in the field of innovation is therefore an essential complement to cooperation in technological research and development.

This is what the transnational plan aims to encourage, by strengthening the supporting infrastructures within the Community and breaking down some of the traditional human, social or legal barriers to innovation.

1.6 These objectives are in line with the spirit and the letter of the section on technological research and development of the agreement reached in Luxembourg on the revision of the EEC Treaty. This sets the Community the objective of strengthening the scientific and technological base of European industry and encouraging it to improve its international competitiveness (Article 1 of the Chapter headed "Technological research and development" in the document "Conclusions of the European Council - Luxembourg, 2-3 December 1985" SI(85) 900).

2. The plan for transnational development - current legal and budgetary situation

2.1 The plan for transnational development of the supporting infrastructure for innovation and technology transfer was adopted by the Council of Ministers on 25 November 1983 (Council Decision 83/624/EEC). It came into force on the day of its publication in the Official Journal of 15 December 1983. 10 Mecu was the amount deemed necessary for the implementation of the plan. Article 6 of the Decision provided that the Commission should be assisted in implementing the plan by a consultative committee, whose composition, duties and method of procedure were set out in Annex II of the Decision.

This committee was subsequently named the "Consultative Committee for Innovation and Technology Transfer" or "CIT".

2.2 The scope for the implementation of the plan was set out in Annex I of the Council Decision of 25 November 1983, which listed the precise areas in which concrete actions may be launched. The list is divided into three chapters. Each relates to a different aspect.

a) The first places the emphasis on "human" networks and networks of "organisations", the establishment or strengthening of liaison mechanisms to improve the spread of innovation throughout the Community and the propagation of technology transfer.

b) The second concerns the strengthening of the infrastructures which pave the way for the emergence of innovation and technology exchange. The accent is on the specific instruments aiding the dissemination of knowledge or the organisation of patent and licensing markets.

c) The third concentrates more particularly on concertation and exchange of experience between Member States.

2.3 After the inevitable initial adjustments, the first concrete actions were launched in Spring 1984. Two annual reports submitted to the Council, the Europen Parliament and the Economic and Social Committee in accordance with Article 6 of the Decision show the progress made in 1984 and 1985 (1) and give a detailed description of the actions launched. By the end of 1985, after consultation with CIT, the Commission had allocated

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(1) For 1983-1984, see document COM(85) 274 (final) of 4.6.1985 and for 1984-1985 Annex II of the present document.

approximately 7.65 Mecu of the original amount of 10 Mecu deemed necessary to these actions (1). In March 1986, the launching of five new actions brought the total allocated to about 9 Mecu. In view of the fact that other actions are planned and some of the actions in progress will be stepped up the original 10 Mecu ceiling will be reached before the current plan comes to an end in December 1986.

2.4 An analysis of the annual rate of allocation of appropriations (which for technical reasons is not immediately reflected as commitment of appropriations) is very revealing of the financial resources required for the implementation of the innovation plan. In 1984, the year in which the plan got under way, a total of approximately 2.5 Mecu was allocated. In 1985, the year in which the carrying out of the work reached its cruising speed for the first time and the only "typical" year (if one can speak of a "typical" year over such a short period) a total of approximately 5.2 Mecu was allocated for concrete actions. During the first two years of implementation therefore, appropriations amounting to more than 75% of the original estimated total requirement had been allocated and at the beginning of 1986, the Commission could see no alternative but to curb its intiatives in favour of the transnational development of the supporting infrastructure for innovation. This was at the very time when two new Member States, both with specific needs in this field, were joining the Community. It had, in fact, less than 2.5 Mecu left for an entire year of implementation of the plan, whereas 1985 had shown that an annual commitment of 5 or 6 Mecu was needed for a Community of Ten.

(1) See 2nd annual progress report, Annex II, page 3 (Annex II of of the present document).

The needs of a Community of Twelve can therefore be estimated by extrapolation at 6 to 7 Mecu per year, with a slight increase (1) in the scope of the plan but without increasing the rate of implementation or the intensity of the actions.

3. Implementation of the plan and evaluation of the actions in progress

Summary of actions:

3.1 The two annual progress reports mentioned above describe in detail the actions taken within the framework of the plan. In accordance with the objectives outlined in Annex I of the Council Decision, these actions were designed with particular regard to SMEs.

The development of SMEs through innovation and the introduction of new technologies depends not so much on direct aid as on the establishment of a favourable environment for this development. They require easy access to specialised advisory services on matters of finance, law, tax, technology, commerce and management.

SME managers, whose time is often fully occupied by day to day problems, need competent support in their approach to foreign markets, in their attempts to modernise or diversify, in the introduction of new processes, in the development of new products or services and in the acquisition or sale of technology. The first actions concentrated, therefore, in accordance with the guidelines in Chapter 1 of Annex I of the Decision, on establishing networks of specialist intermediaries, with the main aim of promoting innovation and technology transfer through transational cooperation between firms. Collaboration with firms in other countries can often enable an SME to expand the market for its innovations and thus to capitalise on them to the fullest possible extent.

(1) See 4.2 below

Human networks of this kind have been set up by the Commission in the field of venture capital (in particular with the establishment of the European Venture Capital Association) and advisory services on technology and innovation management. Under this last heading, as well as the European Association for Technology Transfer, Innovation and Industrial Information (TII), which now has a membership of over 200 public and private organisations and firms and acts as an advisory service for SMEs on innovation, the support programme also includes specific cooperation agreements with advisory bodies in different countries (known as Action 1).

Approximately 50 transnational cooperation projects, involving 120 advisory bodies, were selected following the first two calls for proposals issued in the framework of this action. Community financial support was granted to them in so far as they undertook to implement a joint action programme intended to encourage SMEs, within their respective jurisdictions, to find partners in other countries, to help them find the most suitable firms for joint actions of various kinds and to help them in their efforts to acquire or sell technology. A third call for proposals, published in February 1986, should permit this action to be consolidated and extended to the new Member States.

These actions to promote "networks of intermediaries" are part of an overall strategy. They are supported by complementary actions (secondments of personnel from one advisory body to another, group visits, encouragement of collaboration on a European level at national technology fairs, a European pool of know-how for national design promotion organisations, transnational cooperation between industrial research associations, networks of experts for the rejuvenation of mature industries) all with the same aim:

that of bringing together on a European level all the economic agents involved in innovation and the spread of technology, i.e. not just the enterprises themselves but all those in a position to provide support.

In this way a network of intermediaries is gradually being built up in Europe, getting to know one another better, learning to compare their methods,and exchanging information and working very directly towards the spread of innovation in SMEs and technology transfer between European firms.

A total of more than 1000 different bodies are involved in this process. Given that they are intermediaries whose role is to multiply the effect of Community action, the impact in real terms on firms is much greater.

3.2 Apart from these actions to promote intermediaries, particularly in connection with SMEs, the Commission initiatives in the implementation of Chapter 2 of the plan ("strengthening the foundations") aim to improve the general climate for innovation, favouring two factors which are often crucial: firstly, the germination of ideas and secondly, communication tools. The dissemination of knowledge and technological information on a Community-wide level is encouraged by:

- adding a European dimension to technology and information conferences;

- organising the systematic dissemination in the specialist professional press of summaries of public research reports (EuroTechAlert);

- organising the systematic compilation of information on technologies and markets which are not easily accessible;

- setting up a telefax network for the rapid transmission of information on the tecnological opportunities available;

- creating a computerized index for the comparison of national and European standards (Icone);

- specific actions in the context of Article 3, item 3 of the decision such as actions 24a and 24b aimed at developing innovation support infrastructures in Greece in order to enable her to participate fully in transnational projects.

3.3 In accordance with Chapter 3 of Annex I of the Council decision, views and experiences are exchanged regularly betwen Member States and the Community, either at plenary sessions of CIT or in ad-hoc working groups (the most recent of which was on the rejuvenation of mature industries) or permanent working groups (the latter includes the working groups on "Design" and "Innovation and Patents" set up in 1986). These exchanges between Member States have, among other things, enabled some of the actions launched to be assessed and proposals for new actions to be drawn up. An action is now also underway concerning the use of the results of public research or research financed by the public sector (Action 8). It involves a series of studies on national practices in this field and is preparatory to an examination of the possibilities of creating a suitable framework in Europe for the transnational dissemination and use of these results.

Assessment:

3.4 Items 3.1, 3.2 and 3.3 above give a brief summary of the main actions launched in implementation of the plan (for details, see the above-mentioned annual reports). Their relevance to the aims of the plan and their effectiveness in the field are assessed on two levels:

- continuously by the Commission departments responsible for the administration of the actions;

- by specific evaluation on a national level with the active participation, or at the very least the cooperation, of the national delegations to CIT.

3.5 With regard to the continuous assessment by the relevant Commission departments of actions under way, the analysis of the number of responses to each of the seven calls for proposals made in the period August 1984 to March 1985 reflects the favourable reception they were given by the various specialist branches to which they were sent:

- in response to three calls made for Action 1 (transnational cooperation between advisory bodies), a total of 230 proposals were submitted;

- in response to the three calls made for Action 4 (conferences), a total of 285 proposals were submitted;

- in response to the call made for Action 22 (technology fairs), a total of 78 proposals were submitted;

3.6 Action 1 (transnational cooperation between advisory bodies to promote the spread of innovation towards and the transfer of technology between SMEs), which has been allocated the largest sum so far (3.7 Mecu), was assessed at a seminar in October 1985 attended by more than 120 technology transfer experts from all over the Community. The main conclusions reached by this seminar were as follows (1):

(1) For the full text see the Newsletter "New Technologies and Innovation Policy", DG XIII, No 50 of January 1986.

- most of the bodies involved gained from participation in this action in that it gave them (or strengthened) a European dimension, enabling them to take advantage of the experience of their partner(s) and giving them the means to develop new activities for the benfit of their clients;

- the technology transfer process can sometimes involve a large number of phases, taking 8 to 18 months to complete;

- a number of technical and methodological instruments could be developed to give added support to the advisory bodies involved in this action;

- the action has already resulted in an unmistakeable increase of awareness in the professional branches involved and they in turn are beginning to generate further interest.

The reports sent to the Commission by the contractors, on average every three months, and the follow-up of contracts carried out by the Commission staff, often involving on-the-spot visits, have confirmed these conclusions and shown that there is an increased awareness and mobilisation of interest in Europe. The analyses have also revealed new areas where Community action is needed (technology fairs, industrial research associations, training of technology transfer experts).

However, it is clear that to fulfill their maximum potential, Action 1 and its associated actions must be able to reach a critical mass, which they have not yet done, and that their continuity must be guaranteed.

3.7 Specific assessment on a national level (action 21) is still in progress, but even at this stage a number of comments can be made:

- as regards action 1 and associated actions, bodies should be chosen with extreme care, on the basis not just of their own abilities but also of the size of their clientele, in order to make the most of their role as "multipliers" of Comunity action;

- to strengthen the "networks" aspect, certain geographical gaps need to be filled, particularly in the peripheral regions, and it is desirable to avoid saturating border regions already more naturally predisposed towards transnational cooperation (in France, for example, the regions of the South West and West are under-represented while in the North and East of the country the picture is quite the reverse);

- it would be preferable to avoid spreading the financial resources available too thinly, for example by encouraging transnational cooperation between regional groups of complementary bodies working on the implementation of the same programme;

- the administration of all the actions needs to be improved, in particular by improving follow-up in situ (this is difficult to achieve at present, because of the shortage of staff in the Commission departments involved in the implementation of the plan);

- national assessments have confirmed that the implementation of the plan is still incomplete in certain of the areas of action listed in Annex I of the Counil Decision (see 3.8 below) and have drawn attention to the total absence from this list of a field of action nonetheless very important for the improvement of the general innovation climate: the training of specialist consultants working (particularly small and medium-sized) enterprises in technology transfer and innovation management and financing (a solution is proposed in 4.2 below).

3.8 The implementation of the plan is not complete. The precise fields in which concrete actions could be undertaken, listed in detail in Annex I of the Council Decision, have not all been covered. This would, in fact, have been quite a challenge in view of the number of fields listed and the complexity of the problems they involve.

In addition, some of the priority actions for 1983 listed in Annex III of the decision (this list was extended in 1984 and brought up-to-date in 1985) were not completed for a number of reasons or were only touched on. The Commission feels that a number of fields which are important for innovation and technology transfer still remain largely to be covered. These include:

- the role of local authorities (points 14 of Annex I and 1 of Annex III);

- market surveys and support for the assessment of new technologies (points 2.1a, 2.1d, 2.2 and 2.3a of Annex I and part of point 2 of Annex III);

- the research/industry interface (point 1.1 of Annex I);

- the concertation of Member States' and Community actions (Chapter 3 of Annex I and point 4 of Annex III) which has only just started in the fields of industrial design, intellectual property in connection with innovation and the rejuvenation of mature industries.

4. Conclusions: the plan - an unfinished work

4.1 The plan, as it stands at present, appears as a programme that has started well and proved highly effective both as a source of useful experience and as a series of pilot projects. However much remains to be done. The plan has enabled the Community to make tremendous strides in the fields of support for innovation and technology transfer but, if a number of the actions undertaken are to realise their full potential, continuity and scale are both crucial.

This is particularly true in the case of Action 1. This action needs to be a long-term project because the natural barriers to cooperation between bodies and firms, hard enough to overcome on a national level, are even more resistant on a transnational level. On the other hand, it has been possible to complete other actions of a different kind within a relatively short period, and, after setting the ball rolling, the Commission has been or will be able to pull out, at least financially, once the projects have, or will become, able to run independantly, as in the case of EVCA and the telefax network.

Nonetheless, generally speaking, any programme to promote innovation and technology transfer must be reasonably long-term, reasonably ambitious and of a reasonable scale if it is to have credibility and effectiveness. Furthermore, in accordance with the guidelines for the new Framework Programme (see 1.7 above), the major Community research and development effort needs to be reinforced and developed with appropriate measures to ensure that better use is made of the results of public research, both national and Community, and to speed up technology transfer and the spread of innovation.

4.2 Moreover, in the light of the experience gained and of the discussions held in CIT, it is necessary to extend the list of fields for action given in Annex I of the Council Decision of 25 November 1983, by adding the training of specialist consultants working with (particularly small and medium-sized) enterprises, in technology transfer, innovation management (1) and the financing of innovation. This is vital if due attention is to be given to the needs of Member States with weaker infrastructures, in so far as these actions would not be eligible for aid from the European Social Fund.

This extension of the fields of action is designed to help lessen the disparity between Member States in their capacity for advising or suppporting enterprises, particularly SMEs, to promote the creation and development of innovative SMEs, and to contribute to the unification of the Common Market.(2)

5. Commission proposal - the SPRINT programme

5.1 The European Council over recent years has consistently underlined the importance of developing a Community policy to support the creation and development of SME's.
The Commission agreed a comprehensive action programme for SME's at the end of July 1986 which has been transmitted to the Council (3).
The SPRINT programme contributes to the Commissions' strategy for the strengthening of SME's in the Community.
In view of these considerations and convinced that there is a need to pursue the implementation of the plan over a longer period in order to give this programme as much scope as possible, to enable it to be as effective as it deserves, to ensure continuity in Community policy and to

(1) Including associated fields such as design management.
(2) This specific action will be run in close coordination with the implementation of the COMETT programme, which is much larger in that it covers the whole area of basic training in technology related fields.
(3) COM(86) 445 final 7 August 1986

provide for the gradual and harmonious integration of Spain and Portugal into the policy, the Commission proposes that the present plan be extended for a period of two years, to the end of 1988, and that the scope for the fields of action listed in Annex I of the previous Decision be extended to include training as described in 4.2 above.

5.2 The Commission further proposes that the fields for priority action, the list of which, according to Annex I of Council Decision 83/624/EEC, is drawn up annually, should be redefined and fixed, in the interest of continuity in Community policy, for the whole period of the revised programme. Although the Commission considers that these new priorities should, in order to avoid any break in the carrying out of the work in hand, correspond largely to those already in force (cf. Commission Decision 85/480/EEC of 16 October 1985) (1), the Commission also proposes that the following priority actions be added (2):

- the organisation of training activities for specialist consultants in technology transfer, innovation management (including related fields) and innovation financing who offer their services mainly to small and medium-sized enterprises;

(1) See the text in Annex A to the Second Annual Report in the annex to the present Communication.
(2) See the proposed text in annex to the draft Council decision in Annex I of the present document.

- the setting up of liaison mechanisms between local authorities, since they can be active participants in the innovation process at local level and are in a position both to promote innovation through cooperation on procurement and to create a favourable environment for innovation within their areas;

- the organisation of transnational activities and the dissemination throughout the Community of innovation and technology transfer information relating to the use of the results of public R&D, analyses of future needs in the context of assessment of new technologies, and the research/industry interface;

- the role of innovation in the rejuvenation of mature industries.

On the other hand, in view of the succes obtained in the promotion of the establishment of liaison mechanisms between venture capital institutions, it no longer seems necessary to maintain this as a priority.(1)

5.3 The adoption of this measure, that is to say the fixing of priority actions for two years by the Council until the end of 1988, entails a modification of Annex II of the Decision of 25 November 1983 ("composition, attributes and method of procedure of the consulatative committee"), as CIT's opinion on the annual list of priorities, once fixed by the Council, would of course no longer be required (Article A.3 would thus be amended by the deletion of the reference to this list and Article F would be deleted).

(1) The planned Commission initiatives in the field of financial engineering will provide a suitable framework for the pursuance of work in this field.

5.4 In the light of the above, the Commission also proposes that the plan should be allocated a sum corresponding to the cruising speed refered to in 2.4 and taking into account both the enlargement of the Community and the updating of the list of priorities. It is proposed that the extra amount for the period of the extension should be 11 Mecu, corresponding to a transfer of 1.5 Mecu from Chapter 100 of the 1986 Budget and to commitment appropriations of 3 Mecu in 1987 and 6.5 Mecu in 1988 (1). Taking into account the enlargement of the Community, and inflation, these amounts do not represent an increase in the level of expenditure deemed necessary in the original Council Decision 83/624/EEC.

5.5 The Commission also proposes that the plan should henceforth be entitled: "Strategic Programme for INnovation and Technology Transfer - definition phase" or SPRINT.

The Commission intends, during the period covered by the extension, to fully evaluate the results obtained and the experience gained, over a period long enough to have been meaningful, with a view to developing proposals for a new five-year plan (1989-1994). The extension period will thus enable the Community to provide both for continuity and relevance in the programmes already under way and at the same time to make considered proposals for the long-term future of innovation support policy.

(1) This lack of budgetary symmetry is due to the restrictions imposed in the preliminary draft budget for 1987. This is why it is necessary, in order to take account of the real needs described in 2.4 above, to plan for a higher amount in 1988. The negative effects of the lack of appropriations in 1987 will be lessened by the carrying over of appropriations from 1986 (those from Chapter 100).

5.6 In conclusion, the Commission invites the Council (see draft Council Decision in Annex I of the present document) to adopt the decision to:

- extend the plan to 31.12.88;

- to lay down for the period of the extension an updated list of priority actions (Annex III of the original Council Decision) according to the Commission proposal (see Annex "Priority Actions" to the draft of the Council Dceision);

- revise Annex II;

- revise the amount deemed necessary for the implementation of the plan specified in Article 5 of the Decision of 25 November 1983, increasing it to 21 Mecu to take into acount account the situation as it is developing in the implementing of the plan, the enlargement of the Community, the two-year extension period and the updating of the priorities of the programme;

- adopt henceforth the title of SPRINT.

Annex I

COUNCIL DECISION

of.....1986

modifying Council Decision 83/624/EEC concerning a plan for the transnational development of the supporting infrastructure for innovation and technology transfer

(86/ /EEC)

THE COUNCIL OF THE EUROPEAN COMMUNITIES

Having regard to the Treaty establishing the European Economic Community, and in particular Article 235 thereof;

Having regard to the Commission proposal;

Having regard to the opinion of the European Parliament;

Having regard to the opinion of the Economic and Social Committee;

whereas it is vital to the future of the Community, firstly, to improve the general environment for enterprises with a view to fostering their capacity for industrial innovation and commercial dynamism and, secondly, to ensure that the best use of the dimension afforded by the common market is made by the Member States and more particularly by the enterprises themselves, in order that they might develop in a competitive, unified and free market;

whereas at the meeting of the Heads of State or Government held in Luxembourg on 2 and 3 December 1985, the Community set itself the objective of strengthening the scientific and technological foundations of European industry and encouraging the development of its international competitivity, in particular by supporting small and medium-sized enterprises, in their technological research and development work and in their efforts to cooperate with one another;

whereas, while it is primarily for enterprises to introduce new technology and innovations, innovation and technology transfer can nevertheless be stimulated by suitable measures;

whereas the efforts already being made in the framework of the plan for the transnational development of the supporting infrastructure for innovation and technology transfer need to be continued and reinforced;

whereas the first two annual progress reports on the implementation of Council Decision 83/624/EEC (1) are encouraging;

whereas efforts need to be made to facilitate the gradual and harmonious integration of the new Member States to enable them to take full advantage as soon as possible of the measures adopted and to participate in the work being done;

whereas the disparity between the levels of advice and support available to firms, particularly small and medium-sized enterprises, in the different Member States needs to be reduced by appropriate means such as training of specialists in technology transfer, in innovation management and financing;

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(1) OJ n° L353 of 15.12.1983, p. 15

whereas a full evaluation of the results obtained and the experience gained over a period long enough to have been meaningful is needed with view to preparing proposals for a new five-year programme for the transnational promotion of innovation and technology transfer (1989-1994);

whereas it would therefore be expedient to extend the plan to 31 December 1988 with the new title of "Strategic Programme for INnovation and Technology Transfer - definition phase" (SPRINT programme), and it would appropriate to fix an updated list of priority actions for the same period;

whereas it would be expedient to modify Council Decision 83/624/EEC in consequence;

has decided as follows:

Article 1

Council Decision 83/624/EEC is modified as follows:

1. The heading shall be replaced by the following text "concerning a strategic programme for innovation and technology transfer - definition phase (SPRINT programme)"

2. Article 5 shall henceforth read:
   "Article 5. The revised programme is scheduled for the period 25 November 1986 to 31 December 1988. The amount deemed necessary for the implementation of the entire programme shall be 21 million ECU".

3. The last paragraph of the preamble to Annex I concerning the annual drawing up of a list of priority actions shall be deleted.

4. The following shall be added to Chapter 2 of Annex I of the Decision, paragraph 2.4:
"2.4. Development of basic and further training programmes for specialists in technology transfer and innovation management and financing".

5. The reference to the preparation of the annual list of priorities in Article A.3 of Annex II and Article F of the same annex shall be deleted.

Article 2

The priority actions for the duration of the revised programme are listed in annex to the present Decision.

Done at Brussels on 1986

For the Council

The President

ANNEX

PRIORITY ACTIONS

1. Support for the establishment and initial activities of liaison mechanisms between advisory bodies, particularly for small and medium-sized enterprises (SMEs).

2. Organisation of transnational activities and dissemination on a Community-wide scale of information concerning innovation and technology transfer, in particular.

   a) use of the results from research and development carried out in the public sector or financed by the public sector;

   b) collecting information on technology developed in certain regions of the world where access to information is difficult;

   c) initiatives to develop opportunities for cooperation between firms, particularly SMEs;

   d) supply and demand of transferable technologies, for example by means of data-bases, technology marts and technology fairs;

   e) impact of problems connected with industrial property on innovation;

   f) improvement of access to knowledge on technical standards and regulations;

   g) analyses of future needs in the context of the assessment of new technologies;

   h) research/industry interface;

   i) promotion of the role of innovation in the rejuvenation of mature industries.

3. Organisation of activities relating to the training of technology transfer specialists on the management and financing of innovation and related fields in firms, in particular small and medium-sized enterprises;

4. Establishment of liaison mechanisms between local authorities as agents in the innovation process, both as regards the possibility of fostering innovation through cooperation on procurement and their role in the creation of a favourable environment for innovation on a local level.

5. Within the framework of the Concultative Committee for Innovation and Technology Transfer and with a view to concertation between Member States, exchanges of information, experience and opinions on national and Community measures designed to promote innovation and technology transfer, on their effects and their efficiency. In this context, identification of new opportunities for transnational action and proposals for their realisation.

ANNEX II

PLAN FOR THE TRANSNATIONAL DEVELOPMENT OF THE SUPPORTING INFRASTRUCTURE FOR INNOVATION AND TECHNOLOGY TRANSFER

Council Decision

(83/624/EEC)

of 25 November 1983

Second annual progress report

I N D E X

2.2 STRENGTHENING THE FOUNDATIONS

2.2.1 Dissemination on a Community-wide scale of results of research and development

2.2.1.1 Promotion of the Europeanization of Conferences on Technology and Innovation

2.2.1.2 Eurotechalert: a European technology awareness scheme

2.2.2 Dissemination on a Community-wide scale of information concerning technologies developed in regions of the world where information is difficult to obtain.

2.2.3 Dissemination on a Community-wide scale of information regarding supply and demand of transferable technologies and regarding opportunities for cooperation between entreprises, particularly SME's.

2.2.3.1 Telefax Communications Network for European technology transfer organizations

2.2.3.2 Development of an European database for technology offers and demands

2.2.4 Dissemination on a Community-wide scale of information regarding industrial property and innovation

2.2.5 Dissemination on a Community-wide scale of information on technical standards and regulations: ICONE

2.3 CONSULTATION WITHIN THE CIT FRAMEWORK ON ACTION ALREADY TAKEN OR STILL TO BE TAKEN AT NATIONAL OR COMMUNITY LEVEL IN THE FIELD OF INNOVATION AND TECHNOLOGY TRANSFER

2.3.1 Revision and New Edition of "Incentives for Industrial Research, Development and Innovation".

2.3.2 Improving the utilization of the Results of Public or Publicly Funded R&D

2.3.3 Interim Assessment at national level of Actions taken as part of the Plan

FOOTNOTES

ANNEX A

ANNEX B

ANNEX C

1. OVERVIEW

1.0 INTRODUCTION

1.0.0 This second annual report has been prepared for submission to the Council, the European Parliament and the Economic and Social Committee in accordance with Article 6 of the Council Decision (83/624/EEC) of 25 November 1983 (see OJ L353 of 15 December 1983).

1.0.1 In its decision of 25 November 1983 the Council entrusted the Commission with the implementation of a plan for the transnational development of the supporting infrastructure for innovation and technology transfer, to cover a period of three years at an estimated cost of 10 million ECU.

To assist the Commission in implementing this plan, the same decision also instituted the Consultative Committee on Innovation and Technology Transfer - CIT.

The annexes to the Council Decision contained an analysis of the scope of actions to be taken (Annex I) and the procedure to be followed for establishing the annual list of priority actions for the years other than 1983. (Annex II, paragraph F). In accordance with this procedure a draft list of priority actions for 1985 was discussed at the CIT meeting of 26 and 27 February. The amended list, which was unanimously approved by the Committee at its next meeting on 6 and 7 June 1985, was published in the Official Journal (see OJ No. L285 of 25 October 1985). According to article 1 of the Commission Decision 85/480/EEC of 16 October 1985, the list of priority actions for 1985 will remain in force in 1986 unless a new list of priority actions is established. This Commission Decision and the list of priority actions for 1985 - which is part of it - are reproduced in Annex A to this report.

1.0.2 The very late date of the Council Decision's publication (OJ No. L353 of 15.12.83) meant that the Plan could not be launched until January 1984. 1985 therefore constitutes the second full year of the programme's application and the underlying annual progress report is the second in its "genre".

With respect to the first annual progress report covering 1984, the Committee, in accordance with the terms of Paragraph A.2 of Annex II of the Council Decision (83/624/EEC), examined the report as adopted by the Commission (Com(85) 274 final of 3 June 1985) and took note of the initial encouraging results with respect to the implementation of the Plan.(1)

see Footnotes (1)

1.1. DESCRIPTION, CENTRAL IDEAS AND SUMMARY OF THE PLAN

1.1.1 Description of the Plan

During this second year the implementation of the Plan has reached its cruising speed, the working procedures have been run in, and the engine is now working smoothly.

However, the "engine" metaphor does not adequately reflect the complex reality of the Plan and the field it covers: that of biology is more appropriate. In fact the Plan, which falls under one of the seven basic lines of action the Commission proposes in the new Community Framework Programme of technological research and development (1987-1991), represents a first stage in the drawing up and implementation of a Community policy to support innovation and technology transfer. It provides a controlled environment for experiments, some of which are abandoned because they come to nothing or run up against unforeseen obstacles, while others seem more likely to succeed, assume greater importance and may subsequently, by a process of reproduction and splitting-off, generate independent programmes.

The following lessons have been learned from the first two years of the Plan:

- the originally planned duration (3 years) is too short: it should be extended by two years to allow for the fact that it was introduced gradually, to allow for the accession of Spain and Portugal, and to allow sufficient time to prepare a new 5-year programme on the basis of a thorough assessment of the actions already begun.

- This methodical assessment has already begun at both national (Action 21 of the Plan) and Community level, thanks to the monitoring procedures set up and to the discussions in the Consultative Committee for Innovation and Technology Transfer.
  The assessment has made it possible not only to single out the main aspects on which to concentrate and to streamline the implementation strategy (see below), but also to detect gaps in the programme, in particular as regards training and the financing of innovation.

- This is why the Commission is drawing up a draft communication to the Council and the Parliament containing the proposals toprolong the programme and to extend slightly its fields of application.

1.1.2 The central ideas of the Plan

The Plan is based on a number of central ideas or options which are not all mentioned explicitly in the Council Decision and which the experience gained has allowed to be singled out, corrected or reinforced.

1.1.2.1 Innovation is taken in its widest sense, without any particular sector being favoured. Those who drew up the Plan did not intend it as a synonym of invention or high technology, even if these two aspects do play an important role in the process of innovation. It is to be found in the distributive trades, service industries and

traditional industries as well as in advanced-technology industries. Its social impact in improving conditions of life, in modifying patterns of employment, in reducing or sometimes increasing regional disparities is of paramount importance.
From an economic point of view Member States cannot maintain and increase their competitiveness unless innovation achieves wider penetration of their economies (i.e. by reaching as many regions as possible) and does so more rapidly (by overcoming the geographical, financial legal and social obstacles in its way, and by converting research results more quickly into products, processes or new services).

1.1.2.2 Technology transfer is also a more complex process than might appear from a misleading comparison with the transfer of goods or capital.

Whether vertical industry-oriented research or horizontal (e.g. cooperation between research centres, trading in licences between firms), it forms a natural part of innovation:
- vertical transfer is an integral part of the innovative process;
- horizontal transfer enables economies or firms, depending on where they stand, to take advantage of the technical abilities of others or to generate income from their own know-how.

The transnational cooperation in the field of technological development and marketing by firms, particularly SMEs, can make an important contribution to the spread of innovation and to the achievement of a Community-wide market.

1.1.2.3 SMEs need intermediary and advisory organizations. If SMEs are to flourish through innovation and the introduction of new technologies, what they need more than direct aid is the setting up of a favourable back-up environment. In order to develop, they must have easy access to specialized advisory bodies on financial, legal, tax, technological, commercial and management questions.

Since the heads of SMEs are often fully occupied by day-to-day problems, such firms really do need expert support in dealing with foreign markets, in modernizing or diversifying, in introducing new processes, and in acquiring or selling technologies.

This is all covered by the term "supporting infrastructure" for innovation and technology transfer.

1.1.2.4 **Innovation and technology transfer cannot be achieved simply by passing laws**

Neither innovation nor technology transfer can be imposed on firms, but they can increasingly be organized and stimulated by appropriate measures.

For instance, in the face of today's technological challenges and the scale of international competition, the Member States of the Community must try to reduce the time elapsing between inventions and the marketing of new commercially viable products. They must also make sure that the scope offered by the Common Market is used to the full. For this scope to be realized it is also necessary for free internal markets to be realized and for common policies on trade and competition to be adopted in the EC.

1.1.2.5 Personal contacts and the meeting of ideas

Innovation analysts point out that innovation is often the result of a change of location. Innovators are often people who, as the result of their professional ups and downs, have had to break with their original background and move to a new environment where they have had to adapt and compete.

Inventions are just as often the outcome of the work of technicians or engineers who, for one reason or another, have left their original discipline for a new field of exploration.

Innovation, therefore, is often the result of personal contacts and the meeting of ideas and disciplines.

1.1.3 An original strategy

The implementation of the Plan is thus based on two main ideas: the systematization of personal contacts on the one hand, and the organization of the meeting of ideas and information on the other.

1.1.3.1 Human networks

Thus, the first actions launched under this programme mainly involved setting up networks of specialist intermediaries and advisers with the aim, among other things, of promoting innovation and technology transfer by means of transnational cooperation between firms. For an SME, obtaining the support of firms in other countries is indeed a way of ensuring that its innovations penetrate other markets and thus of using them to greater advantage.

Such human networks have been set up by the Commission in the field of venture capital (launching of the European Venture Capital Association, trial introduction of a system of financial aid for the transnational syndication of venture capitalists, annual symposia on financing innovation in SMEs) and in the field of advisory bodies on innovative technologies and the management of innovation (Chambers of Commerce, private consultants, innovation centres, regional development agencies, etc.).

Under the latter heading, in addition to the setting up of the TII Association (European Association for Technology Transfer, Innovation and Industrial Information), with a current membership of over 200 public or private bodies or firms which advise SMEs, there is the aid programme for cooperation between (typically two or three) advisory bodies in different countries.

Thus, about 50 cooperation projects involving 120 advisory bodies have been selected to encourage SMEs in their particular sector to seek European partners and to provide a back-up for such firms in their efforts to acquire or sell technologies.

This action to assist "advisory networks" is part of an overall strategy. It is accompanied by complementary actions (short and medium-term staff exchanges between advisory bodies, group visits, promotion of European cooperation between the various technology fairs held at regional or national level, pooling of know-how in the design field through exchanges between design promotion organisations in the Member States, etc.) which are all aimed at the same target: bringing together at transnational level all those involved in technology transfer and support for innovation.

Thus, a network of European advisers who are getting to know each other better and are learning to compare their methods and exchange their information is gradually being built up.

In all there are approximately 1000 different organizations or persons involved in this process.

1.1.3.2 Organising the meeting of ideas and exchanges of information

This is being done in two ways:
a) directly, by specific actions under the programme;
b) indirectly, by the method used to prepare and conduct the actions.

a) The specific actions to assist the meeting of ideas and information fall into three categories:
   - the dissemination of technological knowledge and information at Community level by means of the following:
     * adding an European dimension to conferences on technologies and innovation (Action 4);
     * organizing the systematic dissemination, via specialist trade publications, of resumés of public research reports (Action 2 - EuroTechAlert);
     * organizing the systematic collection of information on limited-access technologies and markets (Action 15);
     * creating a computerized index for comparing national and European standards (Action 7 - Icone).

   - the creation of rapid communication tools, such as a rapid transmission network for information on available technological opportunities (Telefax network - Action 18);

   - exchanges of views and experience in the Committee, in accordance with Chapter 3 of Annex I to the Council Decision, during plenary meetings and meetings of the ad hoc Working Groups (Icone, EuroTechalert, licence trading, Japan, etc.) or Permanent Working Groups (design, industrial property and innovation, all launched or to be launched in 1986).

b) The method used to prepare and manage the actions is based on participation, i.e. on the use of a whole range of instruments which all involve active contributions by the groups concerned.

   These instruments are not all systematically used for each action; more often than not they are involved, at one point or another, in one of the development stages of the projects.

The instruments in question are:

* the organization of a symposium or seminar: a general subject thus becomes the basis for participants to meet each other, exchange experience and hear what others have to say;

* pilot or demonstration projects: the effects of a particular planned measure can be tried out in real-life conditions without an irreversible decision having to be made;

* calls for proposals: when a specific field of action is identified, a call for proposals is launched as means of collecting suggestions, of obtaining at little cost a very good idea of the 'state of the art' in the particular field, and at the same time of mobilizing the available skills.

By thus drawing on the imagination and experience of the professionals concerned, we involve them in a collective creation process which they will help to put into effect in the field.

In conclusion, the innovation plan seeks to encourage and stimulate but not to intervene. It acts through intermediaries working with firms. In order to pursue its objectives (personal contacts and exchanges of ideas and information) it uses methods and instruments which put these basic ideas into practice. Thus innovation takes place both in the objectives and via the methods.

1.2 FINANCIAL EVALUATION AND PROSPECTS

The momentum that started to develop at the end of 1984 continued to increase during the whole of 1985 so that from several points of view the Commission together with the Committee have made, in 1985, substantial progress, with respect to furthering the implementation of the Council Decision:

- most of the Actions that received a favourable opinion from the Committee in 1984, were substantially further implemented, consolidated or extended in 1985.
- moreover a non-neglible number of new actions proposed by the Commission - all in line with the list of priority actions for 1985 and covering all the aspects of the Plan, particularly the ones calling for strengthening of the foundations and for concertation between the Member States - were examined by and received favourable opinions from the CIT.

In all, the Actions which received a favourable opinion from the CIT in 1985 will require Commission financing to the tune of 5.182.500 ECU (see Annex B to this report for a detailed breakdown).

Adding to that amount the 2 460 000 ECU that were or will be needed to finance the actions that were approved in 1984 one arrives at a total engagement of Commission funds of 7.642.500 ECU, to finance all the actions that were approved in 1984 and 1985.

By the end of 1985 the Commission had committed a total of 5.512.810 ECU - i.e 72 pct of the total engagement theoretically possible until then - of which 4.290.807 ECU in 1985. In other words, by the end of the year, all the appropriations for committment carried over from 1984 and a substantial part of the appropriations authorized for committment in 1985, had been committed. So the Commission has, in 1985, substantially reduced the backlog of appropriations for committment carried over from previous years, due to the late adaption of the Plan by the Council.

Under normal conditions the momentum and the rate of work that was achieved during 1985, especially during the second half, could be maintained during 1986. From an administrative standpoint the processes and structures set up by the Commission in 1985 allow commitments of 5 to 7 million ECU each year. So, 1986 will see the commitment of all remaining resources set aside by the budgetary authority initially for 1985 (4.5 million ECU).

The recruitment in 1986 of experts and the possible secondment of national civil servants will further ease the manpower shortage which although less prevalent at the end of 1985, has been an acute problem since the beginning of the implementation of the Plan.

Finally, due to the painstaking efforts of the Commission during the whole of 1984 and the beginning of 1985, some of the major barriers that hampered the implementation of the Plan in its first year - notably the general problems experienced during the launch phase in setting up the CIT and the problems within the CIT caused by the different interpretation of some aspects of the Council Decision - gradually became less prevalent during 1985; to such an extent that by the end of the year a relatively smooth running clock-work within the CIT had been established making substantial progress in the implementation of the Council Decision possible.

2 IMPLEMENTATION OF THE PLAN

2.0 INTRODUCTION

Annex I of the Council Decision of 25 November 1983 details three major areas for action, namely:
- establishment of human networks and liaison mechanisms,
- strengthening the foundations,
- concertation of Member States and community action.

The Council Decision also calls for the annual drawing up of a list of priority actions. The list for 1985 (see Annex A to this report)contains four main priorities which together cover all three major areas for action: priorities 1 and 3 call for the establishment of liaison mechanisms respectively between technology and management advisory bodies and between organizations providing venture capital; priority 2 asks for structural improvements with respect to the dissemination on a Community wide scale of certain types of information concerning innovation and technology transfer

and priority 4 calls for concertation within the CIT framework on action already taken or still to be taken at national or Community level in the field of innovation and technology transfer.

The Commission proposed, in 1985, with respect to each of these priorities several projects which together amounted to 19 proposals.
The CIT - which held in 1985 three plenary meetings on 26 and 27 February, on 6 and 7 June and on 7 and 8 November - studied all those 19 Commission proposals and gave a favourable opinion, before the end of 1985, on the implementation of 14 of them.

In consequence two calls for proposals were published by the Commission in the Official Journal of the European Communities (OJ No. C125 of 22 May 1985).

In addition, several meetings involving CIT members or experts nominated by the CIT were held on the following specific subjects:
- Evaluation of the proposals submitted for transnational cooperation between technology transfer and innovation services for small and medium sized enterprises, on 24 and 25 October (Action 1);
- Evaluation of the proposals submitted for organizing European conferences on technology and innovation, on 24 and 25 October (Action 4);
- "Innovation, Technology Transfer and Transnational cooperation between Small and Medium-sized Enterprises", seminar held in Luxembourg on 10 and 11 October in the context of Action 1;
- Eurotechalert: a European technology awareness scheme, on 4 June and 25 September (Action 2);
- Information on limited access technologies and markets (Japan), on 17 and 18 January and on 19 and 20 March (Action 15);
- Information on industrial standards (ICONE), on 17 January and 29 April (Action 7).

It was also decided to set up two working groups - one on Design and one on the Innovation Aspects of Patents - in order to foster concertation between the Member States within the framework of the CIT. These working groups were not convened until 1986.

In view of the above the Commission is pleased with the fruitful dialogue that has been established with the CIT and pays tribute to the quality of the analyses that were carried out as well as the suggestions that have been made by the national delegations with a view to improving the cooperation between the Member States themselves and between the Member States and the Commission.

Finally, as can be noticed from the column "Commitments" in Annex B to this report, the Commission has been able to carry out all the actions that were approved in 1984 except those involving STCELA.

2.1 "HUMAN NETWORKS" AND LIAISON MECHANISMS

In order to further the implementation of this first major area of action, called for in Annex I of the Council Decision, the Commission in conjunction with the Committee has in 1985 been active in three directions:

1) support for the establishment and initial activities of liaison mechanisms between advisory bodies on technology and management, particularly for small and medium-sized enterprises,
2) organization of activities designed to facilitate innovation financing and, in particular, continued support for liaison mechanisms between organizations financing venture capital,
3) the launching of cooperative design promotion projects jointly undertaken by design promotion organizations in the different Member States.

However, in 1985 it became also clear to the Commission that the Standing Technological Conference of European Local Authorities (STCELA) would, due to organizational problems, not be able to implement the Actions - approved in 1984 - that were designed to establish an interface between local authorities and innovative industries.

2.1.1 "Support for the establishment and initial activities of liaison mechanisms between advisory bodies on technology and management, particularly for small and medium-sized enterprises

The Commission has undertaken several activities with respect to supporting liaison mechanisms between technology and management advisory bodies for small and medium-sized enterprises. These activities - aimed at either furthering the implementation of the Actions that were already approved in 1984 or initiating new Actions in this context - covered:

- transnational cooperation between technology and management advisory organizations (Action 1),
- exploratory visits and professional secondments (Actions 5, 6 and 14),
- establishing contact points and organizing group visits for heads of SME's at technology fairs (Action 22),
- the European Association for the Transfer of Technology, Innovation and Industrial Information - TII (Action 13),

2.1.1.1 Transnational Cooperation between advisory organizations (Action 1)

One of the main aims of the Plan is the development of transnational cooperation between small and medium-sized enterprises, particularly in the field of technological exchange, in order to achieve a more rapid penetration of new products and services throughout the Community market.

To achieve this aim the Commission has placed particular reliance on public and private technology transfer and innovation management advisory services to small and medium-sized enterprises within the different Member States (e.g Chambers of Commerce, Regional Development Authorities, private technology and management consultants, etc.) and has endeavoured to establish transnational networks consisting of such advisory services. The intention is that these networks form lasting exchange systems, which will ultimately foster and facilitate transnational collaboration between small and medium-sized enterprises.

This Action, the implementation of which already successfully started in 1984, was in 1985 further implemented and consolidated in several ways:

a) The first actual transnational exchanges of technology that are directly attributable to the efforts of some of the 18 partnerships that were selected for partial Community support following the 1984 Call for Proposals for the promotion of transnational cooperation between technology and management advisory services (see OJ C210 of 10 August 1984) are starting - albeit slowly due to the complex nature of the process - to become reality.

b) Because of the widespread positive response to this first Call for Proposals the Commission asked for the extension of this Action till the end of the Plan and for launching two additional similar Calls for Proposals - one in 1985 and one in 1986. The Committee gave, on 26 and 27 February, a favourable opinion on this request for a total amount of 2.7 million ECUs.

   The second Call for Proposals (see OJ C125 of 22 May 1985) again met a widespread possitive response. A total of 70 complete proposals for cooperation were received involving 190 private and public technology and management advisory services. Of these 70 proposals 34 proposals were selected for partial Community funding totalling 1.565 MEcus. Thirty concerned completely new transnational collaborations involving 81 private and public advisory bodies for innovation and transfer of technology, spread all over the Community; the other four proposals were enlargements of existing collaborations to additional partners involving a total of 15 advisory services.

   In conclusion and as a result of those first two Calls for Proposals in 1984 and 1985 a total of 47 transnational cooperations have been selected for partial Community funding, involving 120 private and public advisory services (see European maps in Annex C and see the OJ C40 of 21 February 1986 for the names and addresses of these advisory organisations as well as for the composition of each transnational cooperation).

c) A seminar on "Innovation, Technology Transfer and Transnational Cooperation between Small and Medium-Sized Enterprises" was held in Luxembourg on 10 and 11 October and brought together members of the Committee, Commission officials and 112 representatives of technology and management advisory bodies of whom 41 represented advisory services that were already cooperating as a result of the first Call for Proposals and 71 represented organizations that had submitted cooperation proposals in response to the second Call, issued in 1985.

This seminar - the aims of which were to take stock of work done under the first cooperation projects and to exchange experiences - produced valuable insights for all parties involved not only with respect to increasing the effectiveness of transnational cooperation schemes with a view to actually foster transfer of technology but also regarding the continuation of this Action on a broader and deeper basis, as was requested by all participants. With respect to increasing the effectiveness of transnational cooperation schemes the seminar emphasized the characteristics of advisory bodies - such as sufficient size, experience and staff - that have been successfull in this respect and the factors or conditions that in general have to be met by the cooperation for it to lead to transfer of technology between SME's.

2.1.1.2 Exploratory visits and professional secondments (Actions 5, 6, 14)

The Actions dealing with exploratory visits and professional secondments (i.e Actions 5,6 and 14) are intended to precede and to some extent prepare the ground for cooperation under Action 1 described in the preceding section. These Actions, which received already in 1984 a favourable opinion from the Committee, were further implemented in 1985 through the services of the European Association for the Transfer of Technologies, Innovation and Industrial Information - TII (see 2.1.1.4).

a) Exploratory visits (Action 5)

The aim of this Action is to permit industrial information transfer agents:

- to get to know each other as quickly and as efficiently as possible;
- to study working practices outside their own country;
- to explore the possibilities of transnational cooperation particularly in technology transfer; exchange of information; etc.

It involves the organization of three to four day visits of groups of maximum 20 industrial information transfer agents to relevant organizations in a particular Member State. These visits are open exclusively to agents working in another Member State than the one that is being visited. In 1985 four such visits actually took place: to Eindhoven (The Netherlands), to Udina-Venezia-Modena (Italy), to Berlin, and to Lyon-Grenoble (France) - each having about 10 participants.

For 1986 the European Association for the Transfer of Technologies, Innovation and Industrial Information - TII, which has been entrusted by the Commission with the management of this Action, has scheduled another four such visits: to Bristol/ Gloucester/ South Wales (United Kingdom), to Bilbao (Spain), to Ireland and to Portugal.

b) Short (Action 6) and medium term (Action 14) transnational professional secondments for information transfer agents

The aim of these actions is similar to that of the guided visits described under Action 5 above, though they are intended to go into the subject more deeply.

Action 6 is intended to enable an industrial information transfer agent, by means of a secondment lasting approximately 15 days, to become familiar with the working methods of an organization in another country and to establish the basis of permanent transnational cooperation in the form of personal contacts with colleagues of other nationalities.

In 1985, 18 of these two to three week secondments actually took place thereby establishing potentially lasting contacts between advisory bodies from for example Southampton (UK) and Strasbourg (F), Munich (D) and Nancy (F), Valenzano (I) and Limerick (IRL), Lyons (F) and Rome (I), Brussels and Sheffield (UK), etc.

For 1986, TII, which since 1984 has been entrusted with the organization and management of this Action, also has planned another 34 such secondments. For 18 of these secondments the organizational details were completed by the end of 1985.

Action 14 is completely identical except for providing for rather longer secondments of up to three months. As up to now this Action has not generated a widespread response - due to the fact that many industrial information and technology transfer organizations find it difficult to miss the services of a member of their professional staff during a few months - the Commission is exploring ways of making this action more appealing.

2.1.1.3 Contact Points and Guided Visits at Technology Fairs (Action 22)

Although technology fairs can be important tools for promoting innovation and technology transfer, it has been observed that when entrepreneurs of SME's visit these events on their own, they are often overwhelmed by their size and by linguistic barriers. The objective of this Action is therefore to make visits by entrepreneurs and managers of SME's from one region in the Community to technology fairs in another region of the Community more productive by having an intermediary or advisory organization of the region of the visiting managers organize a "bridge" or contact point at that fair. Through this contact point, which will be responsible for overcoming possible linguistic problems and for preparing and organizing guided tours thereby taking into account the particular technological interests of the visiting managers, it should be possible for those visiting managers to make their visit to the fair as productive as possible in terms of initiating possible exchanges of technology.

This Action, the idea of which was born at a seminar called "A European Strategy for Technology Fairs", organized by the Commission in Luxembourg on 29 and 30 April 1985 and attended by about 40 organizers of European technology fairs was discussed by and received a favourable opinion from the Committee on 7 and 8 November. As a consequence a Call for Proposals for "the organization of group visits of entrepreneurs and managers from one Member State to technology fairs in another Member State" was prepared and published early 1986 (see OJ C33 of 13 February 1986).

2.1.1.4 The European Association for the Transfer of Technology, Innovation and Industrial Information - TII (Action 13) (2)

The Association - usually referred to as TII because of the simpler original version of its title - is a Luxembourg based non-profit making institution, founded in May 1984, whose main aims are:
- to stimulate innovation in industry;
- to promote transnational technological transfer and
- to encourage transnational cooperation between European companies.

During 1985, the Association's first full year of operation, TII has, despite limited manpower resources, been actively pursuing a number of activities all inspired by its main aims. These activities were:

a) Increasing its membership - from 90 members at the end of 1984 to more than 180 members at the end of 1985 - in order to create a Europe-wide network of persons engaged in transfer of technology and industrial information. The Association's membership, which covers all regions in the Community is very diverse, including university/industry liaison offices, private, public and semi-public consultants, Chambers of Commerce and Industry, etc. It has been compiled in a comprehensive directory - called WHO IS WHO IN TII - which was published by the end of 1985.

b) The publication of the first issues of TII-News, a bulletin designed to inform and assist TII members.

c) The organization of two international seminars: "The Opening of Universities to SME's (London) and "How to finance innovation in Europe" (Düsseldorf), the latter in collaboration with the European Venture Capital Association (EVCA) (see 2.1.2)

d) The creation of four working groups - each one chaired by a member of the TII Board of Management - whose objectives are to investigate ways to promote transfer of technology through improving the quality of TII services for its members. Since these working groups were created during the last quarter of 1985, they were able to meet only once in 1985, however with very encouraging results.

e) Analysis tending towards the establishment of an electronic communication system - called Eurotechlink - which is specially geared towards people involved in transfer of technology and which consists of a technology supply and demand database, a telefax network and an electronic mailing system.

f) The organization - under special contracts with the Commission- of exploratory visits, professional short-term and medium-term transnational secondments (see 2.1.1.2).

The above 1985 efforts were to a large extent financially possible through a Commission grant of 150 000 ECU for which the Committee had given a favourable opinion in 1984. As for 1986 the CIT gave on 7 and 8 November 1985 a favourable opinion on further support of 120 000 ECU.

see Footnotes (2)

While reviewing the 1986 working programme the Commission expressed the wish that TII in 1986 should streamline and intensify its activities, put special emphasis on developing relevant services for its members and, if necessary, adapt its managerial organization in order to achieve these objectives.

2.1.2 **"Organisation of activities designed to facilitate innovation financing and, in particular, continued support for liaison mechanisms between organizations financing venture capital"**

In 1985, just as in 1984, support was given to the European Venture Capital Association (EVCA), which is an international non-profit making organization under Belgian law with registered offices in Brussels(3). The aim of this association - according to Article 3 of its statutes is "to stimulate study and discussion of the management of and investment in venture capital within the European Economic Community with a view to developing and maintaining a venture capital industry as means to finance innovation and small and medium-sized enterprises with equity, and to establish high standards of business conduct and professional competence".

In 1985, which was the Association's second full year of operation, EVCA again managed to increase its membership substantially, namely by more than 50%, so that at the end of the year it had 130 members, spread over all Member States, of whom 71 were full members and 59 were associate members; in comparison, at the end of 1984 the association had 86 members of whom 52 were full members and 34 were associate members.

This membership increase is the result of the publicity programme that the Association vigorously carried out and which - at the request of the CIT - did give some special emphasis to those States where the Association's membership was relatively lagging behind. The most important elements of this programme were:
- the publication of a biweekly press review on the subject of venture capital (EVCA Press Review) and of a quarterly newsletter (EVCA Info) which also serves as a promotional publication for distribution to potential members;
- the organization of three seminars - respectively on Stock Options (Italy), Management Buy-Outs (Denmark), Venture Capital in Europe (Greece and organized at the request of and in cooperation with the Greek Secretariat-General on Research and Development) - and one symposium, entitled "The Changing Face of Venture Capital in Europe" (The Netherlands);
- the publication of its Membership Directory and of the guidebook "Raising Venture Capital in Europe", including the German version; several other translations eg. in French, Italian and Spanish are being considered.

In addition to the publicity program, the EVCA also started in 1985 - with a view to implementing Article 1.3c of Annex I of the Council Decision - a data collection and analysis system on innovation financing within the Community. This system - which will become fully operational in 1986 - will allow the EVCA:

see Footnotes (3)

a) to provide reliable statistics on sources and investments of venture capital - broken down by country and sector - which at present are lacking and which will significantly contribute to a better understanding of the venture capital market in Europe;

b) to measure the progress of innovation financing in Europe;

c) to publish the results of an annual survey on venture capital in Europe.

The above 1985 efforts were made to a large extent financially possible through a Community subsidy of 160 000 ECU - representing 44% of the Association's 1985 budget - which received a favourable opinion from the Committee on 9 November 1984.

As for 1986, the Committee gave on 7 and 8 November a favourable opinion for Community support of 100 000 ECU - which represents 22% of the Association's 1986 budget - and therefore is in line with the Commission's principle of progressive reduction of support. While reviewing the Association's 1986 working programme, the CIT - just as in 1984 - expressed the wish that the Association's activities should concentrate on canvassing for new members in those regions where it was currently poorly represented.

In 1985 the Commission also took the initiative, which was welcomed by the Committee, to mount a pilot project - called Venture Consort - that is intended to demonstrate that, despite differing financial, fiscal and company law requirements, innovative transnational projects and cooperative ventures between small and medium-sized enterprises can be financed at European level by consortia of venture capital companies from different Member States. This pilot-project was funded outside the Plan.

2.1.3 Launching of cooperative design promotion projects jointly undertaken by the design promotion organizations

While recognizing the fact that industrial design is playing an ever-increasing role in the development of new, competitive products, and thus in the process of innovation itself, the Commission also observed that:
- design as a skill has penetrated European industry to widely varying degrees;
- national design promotion organizations were at different stages of development and in some cases concentrated on too narrow a range of activities or on activities that were too far removed from industrial requirements.

The Commission therefore formulated a proposal for the launching of cooperative design promotion projects jointly undertaken by design promotion organizations in the different Member States. The Committee gave, on 7 and 8 November 1985, a favourable opinion on this proposal for an amount of 350 000 ECU. At the same time, following a suggestion by some Member States, the Committee also set up a Working Group to foster concertation on design between the Member States and to evaluate the joint cooperative design projects.

2.1.4 Standing Technological Conference of European Local Authorities - STCELA

The Standing Technological Conference of European Local Authorities (STCELA) is an international scientific association - as defined by the Belgian law of 25 October 1919, as amended by that of 6 December 1954 - whose members are the national associations representing the local authorities of the Member States of the European Communities.

In 1984, the Committee had given a favourable opinion for STCELA to carry out two feasibility studies: one on the publication of a specialized journal "New local government technology" (Action 10) and one on the establishment of an information service on pilot and demonstration projects using technologies of interest to local authorities (Action 11). It also had given a conditional favourable opinion on the first year's implementation of a project concerning local authority actions on household refuse treatment and vehicle flect management (Action 12).

Two of the conditions which the CIT - in conjunction with the Commission had attached were:
- the establishment of direct links between STCELA and individual local authorities, so that the latter would be fully informed on the activities of the Standing Technological Conference and would therefore be able to participate and benefit from it;
- the provision of guarantees that the organization was fully capable, also from a financial point of view - of carrying out the necessary work.

In 1985 it became clear that STCELA was unable to meet those conditions.

On the contrary, the STCELA Executive Board stated that the Association would require long-term permanent Community support and therefore rejected the request for becoming financially self-sufficient. Since by the end of 1985 the Commission had not received any details of the type of Community support STCELA desired, the CIT suggested the Commission to actively explore and investigate other ways of implementing article 1.4 of Annex I of the Council Decision that calls for the establishment of an interface between public users and innovative industries.

2.2 STRENGTHENING THE FOUNDATIONS

In order to further the implementation of the second major area of action called for in Annex I of the Council Decision, namely "strengthening the foundations", the Commission in conjunction with the Committee has in 1985 been making progress in several directions all of which where in line with Priority No. 2 on the list of priority actions for 1985 calling for "the organization of transnational activities and dissemination on a Community wide scale of information concerning innovation and technology transfer, in particular:

a) results of research and development;
b) technologies developped in regions of the world where information is difficult to obtain;
c) opportunities for cooperation between business concerns, particularly small and medium-sized undertakings;
d) supply and demand in transferable technologies, e.g through technological data bases, exchanges and exhibitions;
e) industrial property and innovation;
f) technical standards and regulations.

2.2.1 Dissemination on a Community-wide scale of results of research and development

With regard to this priority, the Commission further implemented two Actions which already started in 1984 namely: the Europeanization of conferences (Action 4) and the Eurotechalert scheme (Action 2).

2.2.1.1 Promotion of the Europeanization of Conferences on Technology and Innovation (Action 4)

The idea behind this Action is to help organizers of conferences on technology and innovation to give an European dimension to their event, more specifically by bringing in speakers from other Member States, by making a special effort to reach potential participants from countries other than that in which the conference is to be held and by translating and circulating the proceedings throughout the Community. During 1985, the concretization of this idea further progressed along two lines.

First, during the second half of 1985 the first 10 of the 21 "Europeanized" conferences that were selected for partial Community funding following the 1984 Call for Proposals "for the promotion of European conferences on technology and innovation" - see OJ C210 of 10 August 1984 - were held. The subjects of these conferences were:
- Optics (Besançon, France);
- Higher Education in support of regional economic and industrial development (Ennis, Ireland);
- Composite materials (Bordeaux, France);
- Organization and functioning of a local innovation office (Athens, Greece);
- Biotechnology (Hanover, Federal Republic of Germany);
- Building the European Electronics Industry (Brussels, Belgium);
- Transfer of aerospace technologies to other industries (Toulouse, France);
- Technology transfer and licensing in the energy sector (Copenhagen, Denmark);
- Photonics applied to metrology (Strasbourg, France);
- Preventive Maintenance for Industry (Dublin, Ireland).

The Commission is committed to undertaking in 1986 a formal evaluation and investigation of the factors that determine the success of these conferences but will do so after the other 11 conferences, which are scheduled to take place in the first half of 1986, have taken place.

Second, the Commission's proposal for repeating this Action in 1985 and 1986 received a favourable opinion from the Committee on 26 and 27 February 1985. The 1985 Call for Proposals for the Promotion of European Conferences on Technology and Innovation - see OJ C125 of 22 May 1985 - that was consequently launched yielded 51 complete proposals of which 23 were selected for support. Most of the conferences selected are scheduled to take place in the second half of 1986 and the first half of 1987, and the topics to be covered are as diverse as computer-aided trade, rheology, information in biotechnology, extrusion technology in the food industry, aerosols, and image detection. The amounts offered for each conference range from 4 500 ECU to 30 000 ECU and the total amount which the Commission allocated in 1985 under the scheme is about 400 000 ECU.

2.2.1.2 Eurotechalert: a European technology awareness scheme (Action 2)

The aim of this project, which is based on the same idea as the British Techalert scheme, is to supply European industry with information abstracted from the many technical reports on government and public research which represent a potential source of innovation for the creation of new products, for the application of new technologies and for improved manufacturing and processing methods.

Reports which are likely to be of immediate interest to industry will be selected and condensed into brief synopses by specialist teams and made available to national trade journals covering a very wide spectrum of fields.

While the concept of the Eurotechalert scheme had received a favourable opinion from the CIT already in 1984, much of 1985 has been devoted - through a group of national experts convening twice - to the elaboration of the practical aspects of the project. During the two 1985 meetings of this working group - 4 June and 25 September - the following arrangements were made:

- Seven Member States - namely Belgium, Denmark, France, Germany, Ireland, the Netherlands and the United Kingdom - agreed to participate in a cooperative scheme and consequently to appoint a national body that would assume responsibility for the cooperation in the project;
- The United Kingdom, benefiting from its Techalert experience, agreed to act as management and advisory centre, with respect to the operation of the project;
- Each participating Member State would supply monthly an agreed minimum number of synopses and would also be responsible for the dissemination within its borders of the documents that it would select from those available within the system;

- The Commission would give the project support up to 200 000 ECU - i.e an estimated 165 000 ECU for translation and 35 000 ECU for the management of the system - spread over two years from the date of start-up.

The above arrangements were discussed at various CIT meetings and received a favourable opinion on 26 and 27 February.

The system should become operational during Spring 1986.

2.2.2 Dissemination on a Community-wide scale of information concerning technologies developed in areas of the world where information is difficult to obtain

Taking into account the findings of a 1984 study indicating that very little use is made in the West of Japanese scientific and technological information and with a view to implementing article 2.1 of Annex I of the Council Decision, the Committee had agreed at its fourth meeting on 21 September 1984 with the setting up of an ad-hoc Working Group on Japanese Information and Technology. The mandate of the ad-hoc group was to investigate and suggest concrete actions aimed at improving the use of Japanese scientific and technological information while taking into account and capitalizing on the results of possible efforts in this respect that were already carried out or were under way in the Community or its Member States.

The ad-hoc Working Group convened twice in 1985 leading to two Action Proposals one for carrying out "an inventory of current facilities for access by Community Member States to new technologies and to scientific, technical and market information in Japan" (Action 15A), and one for conducting a "survey of user wishes regarding access to and the type of scientific, technical and market information in the field of technology and innovation" (Action 15B). Both Action Proposals received a favourable opinion from the Committee on 26 and 27 February.

In order to avoid double work, the implementation of both of these actions has been postponed and is expected to be resumed in 1986 when the results of a large study on Japan sponsored by the Committee of Experts for the Information Transfer between Community Languages (CETIL) will be available. Since some aspects of this larger study are of relevance to both Actions 15A and 15B, it is expected that its results may benefit their further implementation.

In addition to Actions 15A and 15B, a number of concrete proposals for technology transfer, and the setting up of mechanisms for this, were discussed by the ad hoc Working Group and were left in abeyance until such time as the results of CETIL's study on Japan have been reported.

2.2.3 **Dissemination on a Community wide scale of information regarding:**
a) opportunities for cooperation between enterprises, particularly SME's
b) supply and demand in transferable technologies, e.g through technological data bases, exchanges and exhibitions

Activities were undertaken in two directions:
- the extension of a Telefax Communications Network for European technology transfer organizations;
- the development of an European data base for technology offers and demands.

2.2.3.1 **Telefax Communications Network for European technology transfer organizations (Action 18)**

The Committee gave on 26 and 27 February a favourable opinion for the extension of an existing telefax network - that resulted from an earlier pilot project financed outside the Plan - to include most of the important technology transfer centers in the EEC and for the creation of a directory of telefax owners in the EEC who are concerned with technology transfer.

The objective behind the telefax network is to facilitate negotiations regarding transnational commercial exchanges of technology by speeding up communications or by reducing turnaround time compared to ordinary mail and by allowing the transmission of drawings, diagrams, photos etc. which is not possible with the telex.

The network, which contained 27 affiliates at the end of 1984 and 50 affiliates at the end of 1985, is expected to further substantially increase its membership in 1986.

2.2.3.2 **Development of an European database for technology offers and demands**

The Commission, which, with a view to organizing the European market for patents and licences, had already in 1984 proposed the setting up of an European database on licence offers and demands, withdrew this proposal, in view of the launching, within another programme, of a Call for Proposals for Advanced Information Services, Including Information for Industry - (see OJ No C190 of 30 July 1985) deemed to be more suitable.

2.2.4 Dissemination on a Community wide scale of information regarding industrial property and innovation

The Committee gave on 7 and 8 November a favourable opinion for a partial Community financing to the Greek programme for improving the use in Greece of patents as sources of technological information (Action 24A).

During the discussion of this programme - which is eligible for funding under article 3 of the Council Decision - it became clear that national patent offices, in their current conception and operations, could endeavour to stimulate innovation more intensely. As a consequence the Committee suggested that the Commission set up a Working Group to foster concertation between the Member States on the innovation aspects of patents. This working group will be convened early 1986.

2.2.5 Dissemination on a Community wide scale of information on technical standards and regulations: ICONE (Action 7)

Several Member States have developed through their national standardization institutes - and without a pre-occupying concern for communality - large national collections of technical standards.

The technical harmonization work carried out at European and international level, while being significant, is far from having been completed. At the present time, European and international standards are contained in approximately 7500 harmonization documents, as compared with an overall figure of about 80 000 documents for the national standards of the 10 Member States in 1985. Of these 80 000 documents 28 000 have an European or international equivalent while 52 000 documents do not have such an international or European equivalent. As a consequence, it is often quite difficult for European enterprises - particularly of small and medium size ones - wanting to market new products in the various Member States, without a thorough technical investigation, to identify quickly the degree of equivalence between different national standards for a given sector or technical branch.

Yet, technical standards when they are harmonized, reduce market fragmentation, therefore contribute towards the creation of a common European internal market, encourage the transfer of technology between the various Member States and their economic agents and define the requirements which the European market imposes on new products.

Within the context of the Plan, the Council called for establishing an up-to-date information system on technical regulations and standards. Rather than setting up a new elaborate system thereby duplicating not only the work of other Community organisations, but also all the information contained in the national standardization institutes the Commission proposed the development of a comparative index linking and comparing national and European standards.

This project, called ICONE and on which the discussion had already started during 1984, was further elaborated in 1985 during two meetings of experts from the Member States' national standardization institutes and - in order to avoid duplication of efforts - representatives from other relevant Community services, the European Committee for Standardization (CEN), and the European Committee for Electro-technical Standardization (CENELEC).

During those two meetings - 17 January and 29 April - it was agreed that the ICONE-system would be designed on a cooperative basis in two phases. During the first phase a comparative index of national standards that have an equivalent European and/or international standard would be compiled. During the second phase a comparative index of national standards without an equivalent European or international standard would be established on the basis of an European classification system.

The first phase - in which also the EFTA participates - will be carried out under contract for the Commission and the EFTA by the CEN-CENELEC in conjunction with the national standards institutes of the participating Member States. This first phase which involves comparing and linking 35 000 documents on national standards, - 28 000 documents on national standards of EEC Member States and 7000 documents on national standards of other EFTA countries - to 7500 key international and European standards is expected to be completed within 2 years and will involve for the Commission a maximum outlay of 185.200 ECU. The format of the expected output of this first phase, as well as the terms of the contract between the Commission and the CEN-CENELEC, were discussed with and received a favourable opinion from the Committee on 6 and 7 June.

Due to the complexity of the second phase, in which the EFTA also will paticipate and which will involve the processing of 65 000 documents - 52 000 documents on national standards of EEC Member States and 13 000 documents on national standards of other EFTA countries -, the national experts agreed to have the CEN-CENELEC carry out a survey among its members, the aim of which would be to define a joint European classification system that would be used as the basis for comparison of the national standards during the second phase.

This survey, which involves an outlay of 7 000 ECU and which should be finished 3 months before the 2 year contract of the first phase expires, also received a favourable opinion from the CIT on 6 and 7 June.

2.3 CONSULTATION WITHIN THE CIT FRAMEWORK ON ACTION ALREADY TAKEN, OR STILL TO BE TAKEN, AT NATIONAL OR COMMUNITY LEVEL IN THE FIELD OF INNOVATION AND TECHNOLOGY TRANSFER

In view of Chapter 3 of Annex I of the Council Decision - calling for concertation of Member States and Community Action - the Committee issued in 1985 a positive opinion on several proposals put forward by the Commission in this respect.

These proposals included three Actions - one for publishing a directory of incentives for industrial research, development and innovation in the Member States of the European Communities (Action 20), one designed to improve the utilization of the results of public or publicly funded R&D (Action 8) and one for evaluating within each Member State the Actions taken as part of the Plan (Action 21) - which, when carried out, will have substantially advanced the implementation of articles 3.1 and 3.2 of the Council Decision.

In addition to the three Actions mentioned above, the Committee also agreed to set up - within its own framework as mentioned by article 3.1 of Annex I of the Council Decision - two working groups, one to foster concertation between the Member States on the innovation aspects of patents (see 2.2.4) and one to foster concertation on design (see 2.1.3).

2.3.1 Revision and New Edition of "Incentives for Industrial Research, Development and Innovation (Action 20) (4)

The Commission had already published in 1985 - outside the Plan - a manual called "Incentives for Industrial Research, Development and Innovation" which is a directory of direct and indirect public measures (in existence or in preparation as of 30 June 1984) for promoting industrial research, development and innovation in the Member States of the European Communities.

Since this directory is the only compilation, covering the European Community as a whole, of national promotion measures - classified in ten categories including tax incentives, patents and licensing systems, advisory activities, collective research, collective research centres and government laboratories, equity capital, regional measures, etc. - it is of major interest to national administrations and to industry and provides a basis for the comparisons and evaluations of national experience in the Member States, foreseen in Article 3.2 of Annex I of the Council Decision.

Action 20, which received a favourable opinion of the Committee on 16 September 1985, covers an updated revised edition of the directory that will include Spain and Portugal and that will have 1 January 1986 as date of reference.

2.3.2 Improving the utilization of the Results of Public or Publicly Funded R&D (Action 8)

The reasons for formulating this Action Proposal were the following observations made by the Commission:

1) within the Community an average of two fifths of all R&D work is financed by public authorities and more then one third of this work is performed within institutes run by those authorities;
2) a major justification for public R&D - which is not an end in itself - is the efficient utilization of the results obtained;
3) yet, the task of ensuring adequate utilization is precisely one which has not been dealt with comprehensively in the Member States.

see Footnotes (4)

The objective of this Action (Action 8) is therefore, through a series of studies of the way in which the results of public or publicly-funded research are utilized in the Member States, to generate a comprehensive exchange of information and experience in this field

a) leading to the identification at national level of suitable instruments, methods and approaches to particular problems and
b) indicating how to create a suitable framework in Europe for the transnational utilization of the results of public R&D.

The Committee issued a favourable opinion on this Action (Action 8) on 18 September after which the Commission began the first phase of its implementation, namely the organization and start up of the series of studies on the way in which the results of public or publicly funded research are utilized in the individual Member States.

The Commission plans to present to the Committee the preliminary results of these studies before the end of 1986. Preliminary results will also be presented at an European symposium that the Commission will organize during the third quarter of 1986.

2.3.3 Interim Assessment at national level of Actions taken as part of the Plan (Action 21)

The Committee issued on 21 September a favourable opinion on a Commission proposal for carrying out in each Member State - under the responsibility and leadership of the appropriate delegation - an interim assessment of Actions taken so far under the Plan. The Commission expects that this interim assessment will lead to constructive criticisms and suggestions for improvements to current actions as well as to suggestions for future actions.

The Commission expects the first results of these national evaluations to be available from April 1986 onwards.

* * * * *

F O O T N O T E S

(1) The first annual progress report on the Council Decision was published in the NEWSLETTER - NEW TECHNOLOGIES AND INNOVATION POLICY, No. 43 (July 1985). This Newsletter contains information with respect to Directorate XIII - A's regular activities on:
(a) technological information and patents;
(b) scientific and technical communication;
(c) exploitation of new technologies;
as well as information with respect to the progress that is being made in the implementation of the Council Decision 83/624/EEC and calls for proposals that are launched within the context of the Council Decision.

(2) Address of T.I.I. : European Association for the Transfer of Technologies, Innovation and Industrial Information - TII a.s.b.l.
B.P. 1704 (GISL)
7 rue Alcide de Gasperi
L-1017 LUXEMBOURG-KIRCHBERG

Tel. : (352) 43 80 96
Telefax: (352) 43 83 26

(3) Address of EVCA : EVCA - European Venture Capital Assoc.
Clos de Parnasse, 11F
B-1040 BRUSSELS
Tel. : (32) 2 513 74 39

(4) "Incentives for Industrial Research, Development and Innovation: Directory of direct and indirect public measures for promoting industrial research, development and innovation in the Member States of the European Communities" compiled for the Commission of the European Communities by J. LOVASZ, assisted by N. O'NEILL of J.M. DIDIER and Associates, Brussels; published by Kogan Page Limited, 120 Pentonville Road, London N1 9JN for the Commission of the European Communities (ISBN 1-85091-059-6; EUR 8793 EN).

ANNEX A

COMMISSION DECISION

of 16 October 1985

establishing the list of priority actions for 1985 within the framework of Council Decision 83/624/EEC concerning a plan for the transnational development of the supporting infrastructure for innovation and technology transfer

(85/480/EEC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Decision 83/624/EEC of 25 November 1983 concerning a plan for the transnational development of the supporting infrastructure for innovation and technology transfer (1983 to 1985), and in particular Article 6 and Annexes I and II (F) (1) thereof,

Whereas it is for the Commission to establish the annual list of priority actions for 1985;

Whereas the priority actions for 1983, as set out in Annex III to Decision 83/624/EEC were continued through 1984;

Whereas the results already obtained through the priority actions implemented justify the continuation and intensification of the work undertaken;

Whereas the Consultative Committee for Innovation and Technology Transfer (CIT), having been consulted in accordance with Annex II (F) to Decision 83/624/EEC, has given a favourable opinion,

HAS DECIDED AS FOLLOWS:

Article 1

The list of priority actions for 1985 is set out in the Annex. This list will remain in force in 1986 unless a new list of priority actions is established.

Article 2

This Decision shall enter into force on the day of its publication in the *Official Journal of the European Communities*.

Done at Brussels, 16 October 1985.

For the Commission

Karl-Heinz NARJES

Vice-President

PRIORITY ACTIONS FOR 1985

1. Support for the establishment and initial activities of liaison mechanisms between advisory bodies on technology and management, particularly for small and medium-sized enterprises (SMEs).

2. Organization of transnational activities and dissemination on a Community-wide scale of information concerning innovation and technology transfer, in particular:

   (a) research and development results;

   (b) technologies developed in regions of the world where information is difficult to obtain;

   (c) opportunities for cooperation between business concerns, particularly SMEs;

   (d) supply and demand in transferable technologies, e.g. through technological data bases, exchanges and exhibitions;

   (e) industrial property and innovation;

   (f) technical standards and regulations.

3. Organization of activities designed to facilitate innovation financing and, in particular, continued support for liaison mechanisms between organizations financing venture capital.

4. Within the framework of the Consultative Committee for Innovation and Technology Transfer, as a first step towards concertation, exchanges of information, experience and opinions on national and Community measures designed to promote innovation and technology transfer, on their effects and their efficiency. In this context, identification of new opportunities for transnational action and proposals for their realization.

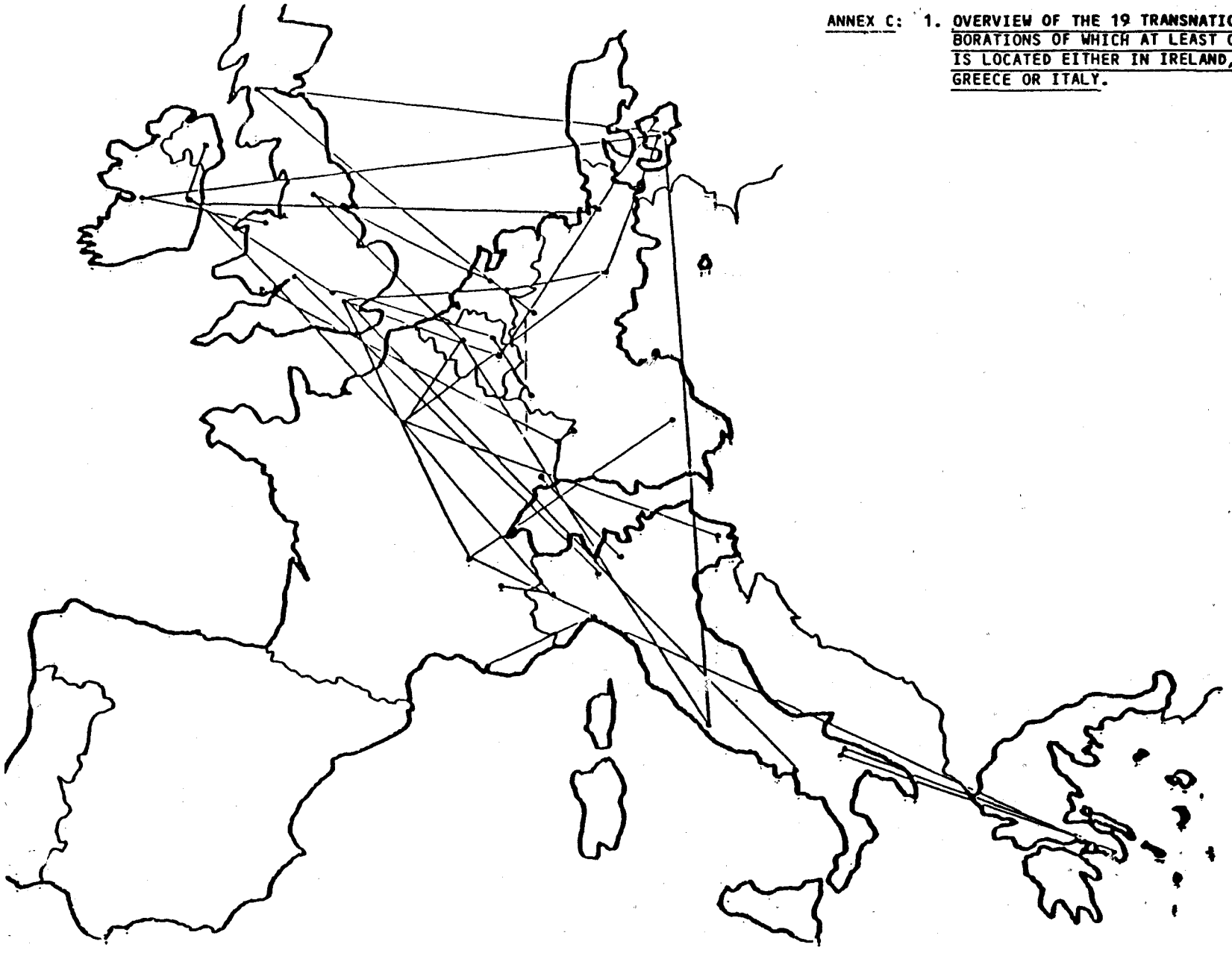
ANNEX B

ACTIONS PROPOSED BY THE COMMISSION AND EXAMINED BY THE CIT IN 1984/1985 UNDER THE PLAN FOR THE TRANSNATIONAL DEVELOPMENT OF THE SUPPORTING INFRASTRUCTURE FOR INNOVATION AND TECHNOLOGY TRANSFER

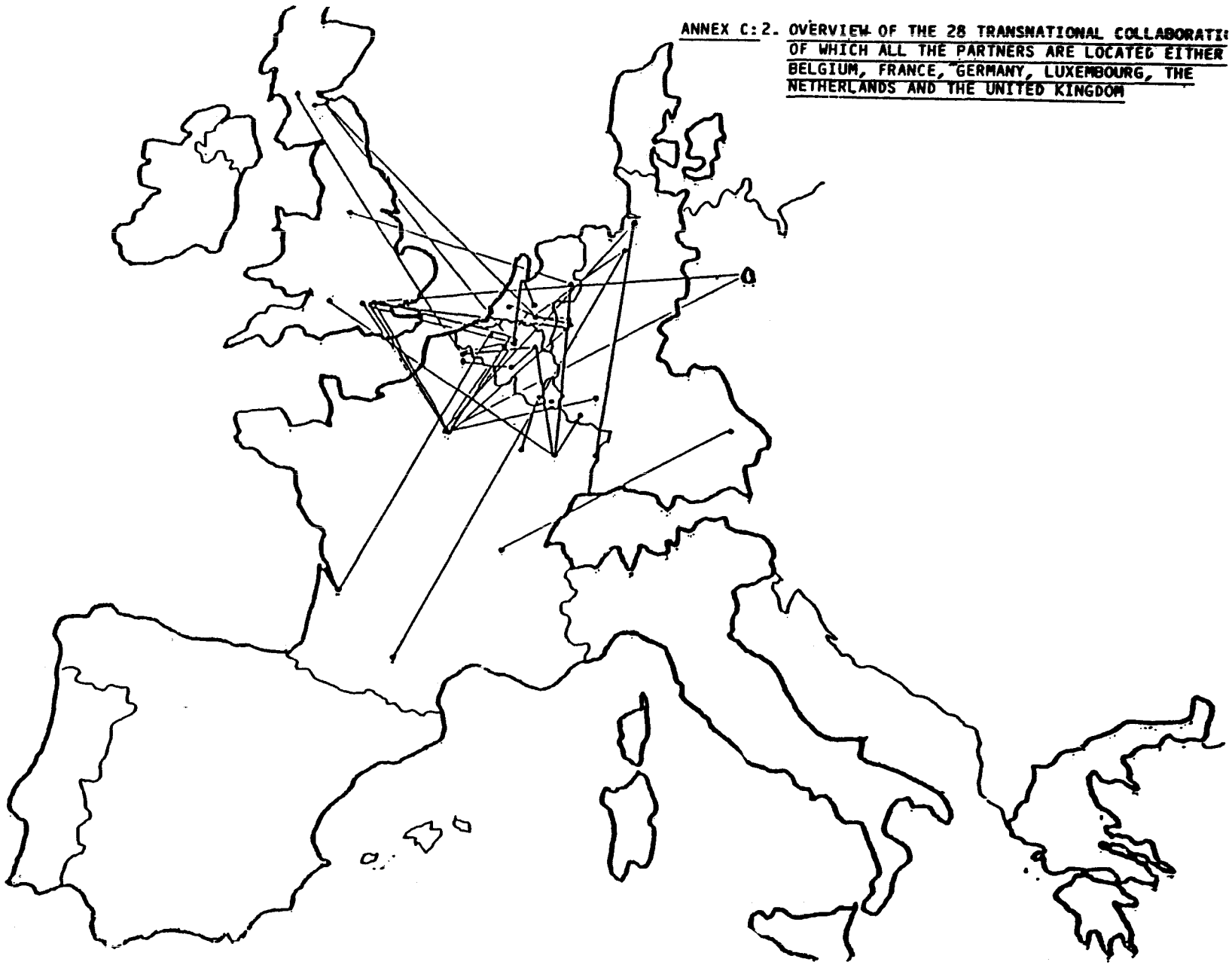
	FAVOURABLE OPINION FROM THE CIT 1984 FOR A TOTAL OF (ECU)	FAVOURABLE OPINION FROM THE CIT 1985 FOR A TOTAL OF (ECU)	CUMULATIVE TOTAL	COMMITTED BY THE END OF 1985	
				IN ECU	AS PCT. OF ENGAGEMENT
I. "HUMAN NETWORKS & LIAISON MECHANISMS					
1. Consultative Services					
Action 1: Promotion of transnational cooperation between technology and management advisory services to small and medium-sized enterprises	1.000.000	2.700.000	3.700.000	2.458.460	66
Action 5: Exploratory visits for industrial information transfer agents within the Community	100.000	--	100.000	100.000	100
Action 6: Transnational secondments between industrial information transfer agents	100.000	--	100.000	100.000	100
Action 14: Long-term transnational secondments between industrial information transfer agents	150.000	--	150.000	150.000	100
Action 22: Contact Points and Guided Visits at Technology Fairs	--	210.000	210.000	210.000	100
Action 13: European Association for the Transfer of Technologies, Innovation and Industrial Information - TII	150.000	120.000	270.000	270.000	100
2. Venture Capital					
Action 3: 'European Venture Capital Association' (October-December 1984)	60.000	--	60.000	60.000	100
Action 16: Continuation of EVCA activities in 1985 and 1986	160.000	100.000	260.000	260.000	100
3. Design					
Action 23: Liaison Mechanism between Industrial Design Promotion Organisations	--	350.000	350.000	351.000	100

	FAVOURABLE OPINION FROM THE CIT 1984 FOR A TOTAL OF (ECU)	FAVOURABLE OPINION FROM THE CIT 1985 FOR A TOTAL OF (ECU)	CUMULATIVE TOTAL	COMMITTED BY THE END OF 1985	
				IN ECU	AS PCT. OF ENGAGEMENT
III. CONCERTATION					
Action 20: Revision and new edition of "Incentives for Industrial Research, Development and Innovation"	--	37.500	37.500	37.500	100
Action 8: Improving the utilization of the results of publicly funded research	--	350.000	350.000	185.000	53
Action 21: Interim assessment at national level of Actions taken under the Plan	--	100.000	100.000	58.750	59
T O T A L	2.460.000	5.182.500	7.642.500	5.512.810	72

ANNEX C: 1. OVERVIEW OF THE 19 TRANSNATIONAL COLLABORATIONS OF WHICH AT LEAST ONE PARTNER IS LOCATED EITHER IN IRELAND, DENMARK, GREECE OR ITALY.



ANNEX C:2. OVERVIEW OF THE 28 TRANSNATIONAL COLLABORATI
OF WHICH ALL THE PARTNERS ARE LOCATED EITHER
BELGIUM, FRANCE, GERMANY, LUXEMBOURG, THE
NETHERLANDS AND THE UNITED KINGDOM



FINANCIAL SHEET

on the draft proposal from the Commission to the Council on the SPRINT programme (two-year extension and the revision of priorities of the "Plan for the transnational development of the supporting infrastructure for innovation and technology transfer")

1. Relevant budgetary heading

B 752 "Community projects in the field of innovation and technology transfer".

2. Legal basis

- Article 235 of the EEC Treaty;

- Council Decision 83/624/EEC of 25 November 1983 concerning a plan for the transnational development of the supporting infrastructure for innovation and technology transfer (OJ L 353 of 15 December 1983);

- Proposed Council Decision on the SPRINT programme.

3. Proposed classification of the expenditure as compulsory/non-compulsory

- Non-compulsory expenditure.

4. Description of the action, with supporting arguments

The SPRINT programme has the following main objectives:

- to enable innovative firms to benefit fully from the opportunities offered by the Common Market through

  . the promotion of the transnational supporting infrastructure for innovation;
  . technology transfer;

- to promote concerted action by the Community and the Member States to encourage research, innovation and technology transfer;

- to extend transnational cooperation between national or regional services and organizations responsible for supporting innovative firms in the Community, with a view to improving their efficiency and creating an innovation process commensurate with the Common Market;

- to involve the new Member States fully in current actions.

It is not the intention to provide direct aid for particular new technologies but, through transnational actions, to increase the chances of bringing new products on to a Community-wide market and thus to contribute to the achievement of the true internal market.

5. Nature of expenditure

For studies, services, expert analyses, promotion (in particular symposia and conferences) and subsidies, possibly with provision for profit-sharing arrangements if the projects succeed. Any revenue will be re-used under the budget article.

6. Method of calculation

For the period covered by the revised programme (the current plan is due to end on 15 December 1986 and the proposals relate to the period 25 November 1986 to 31 December 1988) the additional appropriations needed for the programme amount to 11 million ECU distributed as follows (commitment appropriations):

1986	-	1 500 000 ECU (transfer from Chapter 100)
1987	-	3 000 000 ECU*
1988	-	6 500 000 ECU
Total:		11 000 000 ECU

These appropriations are provisionally divided between the programme's three main lines of action as follows:

a) European cohesion between innovation promotion organizations:	7 500 000 ECU
b) improvement of structures:	2 500 000 ECU
c) concerted action by the Member States and the Community:	1 000 000 ECU
Total:	11 000 000 ECU

*) out of the 4 000 000 written into Article 752 of the preliminary draft budget

7. Financial effects of the action on intervention appropriations

Estimated timetable for the additional commitment appropriations and payment appropriations for the period covered by the revised programme

	CA (million ECU)	PA (million ECU)
1986	1,5	0,0
1987	3,0	2,5
1988	6,5	5,5
1989	-	2,5
1990	-	0,5
Total	11,0	11,0

8. Community funding in relation to the total cost of the action

- Estimated at 50% of the entire programme.

9. Remarks

This is not a new action but a prolongation of a current action with a very slight extension of the field covered.