Good Morning,

Professor Wolfsmith,

Ladies and Gentlemen,

Let me begin by thanking you for your kind invitation to speak before you today. The theme that I should like to develop is that of how best to further European research with regard to the biomedical domain and more particularly how to further collaboration between the Alliance for Biomedical Research - a unified voice for the biomedical community - and the EU institutions.

Whilst the question of the funding of research is, of course, crucial, another question that is no less critical is that of how best to actually structure and organise research at a European level. In this respect, I believe that the creation of what might be

called a "European Health Research Institute" would be a real step forward.

As I understand it, there are three aspects to the question of how best to strengthen European research in the biomedical field.

* To begin with, I should like to say a few words about the current state of play with regard to the upcoming Horizon 2020 programme.

* Then I shall go on to say something about budgeting and financing matters from a European perspective

* Finally, I will go into a little more detail with regard to the importance, as I see it, of what I have provisionally termed a European Health Research Institute

The Horizon 2020 research programme

1) So with regard to the state of play in the Horizon 2020 programme,

The European Commission has presented yesterday the new programme "Horizon 2020".

I am extremely pleased to see that the proposals I have been fighting for are all incorporated in the documents, namely:

- a **substantial increase of the budget** for research and innovation: €80 billion;
- a **dedicated financial contribution to the EIT** (from 300 million to 3 billion Euros);
- a **balance between the three pillars**:

a science driven pillar - **'Excellent science',** an industry driven pillar - **'Industrial leadership',** a policy driven pillar - **'Societal challenges'**

- an **adequate allocation of funding within the three pillars:**

- **'Excellent science'** with €24.6 billion, including:
  - €13.2 billion for the highly successful **European Research Council** (ERC),
  - Investment of €3.1 billion in **future and emerging technologies** (FET) to open up new fields of research and innovation.
  - A budget of €5.75 billion for the **Marie Curie Actions** to develop research and innovation skills through the training, mobility and career development of researchers.
  - Funding of €2.4 billion will also be available for supporting access to and networking of priority **research infrastructures** across Europe.

- '**Industrial leadership**', with a budget of €17.9 billion will include major investments in key industrial technologies such as **Information and Communication Technologies** (ICT), nanotechnologies, biotechnology and space (total of €13.7 billion). Access to **risk finance** with a dedicated budget of €3.5 billion);
- '**Societal challenges**', with a budget of €31.7 billion will be allocated to tackling the major focusing on six key areas, being the first area: **Health, demographic change and well-being**;

So by way of partial conclusion to this section of my talk, I would say that Horizon 2020 is very much in line with the recommendations of the European Parliament. In particular, I should refer to the increase of funding, the balance between the three pillars, the synergies with the

structural funds and the simplification of the programme.

It is time to look at the way ahead by analysing and discussing the details within the rules for participation and to "make everything as simple as possible, but not simpler" (Einstein)

2) Funding

Turning now to my second point - the question of funding -

European research is chronically underfunded. In my opinion, and as I have mentioned before, funding in Horizon 2020 should be doubled and synergies between the Framework Programme and the Structural Funds should be improved.

But it is not only about doubling the budget directly attributed to the Framework Programme. To this end, it is also necessary to increase the share of the funding that is attributed to research and innovation within the overall EU budget. This can be done in a combination of an increase in funding for the framework programme and increasing the share devoted to research and innovation within the structural funds.

If it is important to encourage synergy between the two, it is equally as important to maintain a clear distinction between the Framework Programme FP and the Structural Funds.

This requires proper design alongside a simple, flexible structure and an adequate budget.

So, in so far as the budget is concerned, to sum up briefly, it is necessary to double, I believe, the

existing budget provisions and to reform the relations between the Framework Programme and the Structural Funds.

The financing scheme has a fundamental role in promoting excellence in research and innovation at a European level. However, it is certainly necessary to simplify the mechanisms involved in the Framework Programmes for Research, Technological Development and Demonstration Activities and all the European Commission Science and Innovation programmes.

Within the allocation of resources, priority should be given to health research and more particularly, biomedical research. Indeed, in the doubling of the research budget that I have actively

sought to achieve, I believe that single largest item in the budget should be health.

Biomedical research is able to counter a whole range of health questions as these include areas such as cancer, respiratory diseases, cardiovascular and mental disorders; diabetes and respiratory problems. In Europe today, we are faced with a range of new challenges - one of the most prominent of which is the ageing of the population - and biomedical research will, of course, be of absolutely central importance in dealing with this. All of these different challenges are of such direct relevance to the well-being of European citizens that they really do deserve to be given as much support as possible. This is something that requires multi-disciplinary approaches, involving multinational and large scale research.

Secondly, given that bio-medical research requires a much longer innovation cycle than other forms of research - it requires about 10 years - it is necessary to take this into consideration when planning the different funding instruments that are required. Existing piece-meal funding is inadequate and, moreover, there is not one single funding instrument that can encompass, at once,

- the development of ideas into novel concepts,
- the implementation of these concepts in clinical practice,
- their adaption for the market
- and finally the assessment of treatment strategies and outcomes.

The development of funding strategies, in this respect, should include key research stakeholders and, of course, the Alliance for Biomedical Research in Europe.

To sum up what I have said about funding, biomedical research is of absolutely prime importance to the well-being of Europe's citizens. As such it deserves to be recognised as such when it comes to making budgeting decisions. However, it is necessary to develop these funding instruments in such a way that they are much more responsive to the requirements of the innovation cycle specific to this field.

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3) European Health Research Institute

Finally, with regard to how best structure and organise European research in the field that interests us; I believe that it is essential that

* Whilst existing EU research programmes are geared to dealing with issues such as energy and ICT - and more generally technologically related matters - they are much less well-adapted to dealing with needs in the sphere of medicine and more particularly that of bio-medical research.

A related question is that of linking research results with clinical applications. As things stand, the existing EU research programmes do not really allow a systematic involvement of the bio-medical community in the development of biomedical research strategy across all the different phases of the process. It is important that we find ways of furthering this.

Indeed, it is necessary that we - at a European level - work together and that we really make an effort to collaborate. The EU is particularly well-placed to facilitate this sort of cooperation. This involves the "added value" that the EU can bring in furthering harmonisation and the development of a

properly interconnected research programme alongside Europe's ability to facilitate the scaling up of research. This also supposes a bottom up approach and more systematic synergy between the research community, industry, academia and the European Commission.

This being said, it is equally crucial that we avoid wrapping the whole thing in red tape and complicated regulations. Simplicity in access and structure remains the order of the day. Against this background,

* I feel that, the creation of a single, dedicated agency for biomedical research - one that was responsive to input from the biomedical community - would contribute powerfully to innovation and competitiveness in Europe. It would also serve as a springboard to deeper international cooperation.

This institution should obey the community principal, which is to say that it is created under the scope of the European Commission and, hence, is not an inter-governmental institution.

This is the time to really think about the form that such an institution would have given that we are in the process of elaborating the Horizon 2020 programme. If we do not manage to incorporate this institute - even in incipient form - into the new programme quickly we are liable to be unable to introduce it at a later point.

To sum up what I have said in this section, I feel that we need to make real efforts to further greater collaboration at a European level. The EU is obviously well-placed to achieve this goal and the creation of European Health Research institute would be a real step in the right direction. To this end, it is necessary that we act quickly in order to ensure that at least an embryonic form of such an

institute is included in the Horizon 2020 programme.

By way of conclusion to my talk today, I believe

1) The goal of Horizon 2020 will be more than ever to bring excellent research results to market. This will deliver direct benefits to citizens, such as affordable health-care, protection against cyber-crime, and the transition to a resource-efficient, low-carbon economy.

2) We need to adapt European funding to fit the requirement of the Biomedical research field - one that is of prime importance - and, in particular, to ensure that the long innovation cycle is properly supported during all its phases.

3) A European Health Research Institute would be a valuable contribution of furthering necessary European wide collaboration and partnerships. However, we have to make sure that this recognised *now* in the upcoming Horizon 2020 programme.

Thank you very much. If you have any questions, I shall be happy to answer them now.