



European Commission

Directorate General Enterprise and Industry

The EC Lead Market Initiative

Antonio Paparella

Unit Construction & Pressure Equipment



Outline of the presentation

- Policy context
- Scope of the Lead Market initiative
- Considerations and criteria
- Expectations
- Interaction with stakeholders
- Timetable



Policy context

COM (2006) 502 final: A broad-based innovation strategy for EU

1. More innovation-friendly framework conditions – What could be the role of governments?
2. Facilitating the emergence of innovation-drive lead markets
3. A better EU governance for innovation

Scope of the Lead Market initiative

« Lead Markets are not about protectionism, picking winners or creating national champions. The purpose is to enable innovation to emerge and come to market. In order to ensure success, an integrated effort is needed across all services and policy areas, as well as between public authorities and industry [...] »

Vice-President Verheugen



Considerations

- What is a « lead market » ?
- Could we assume a high degree of customer « intelligence »?
- Are the market requirements generic enough for a global perspective?
- Has market fragmentation a significant impact on innovation?
- Is policy intervention justified? What is the range of policy considerations?

Criteria (1/2)

1. The extent to which customers needs would be satisfied in a global perspective
2. The potential for the creation of world-class markets
3. Existence of industrial strenghts in EU
4. The interest of the industrial and service sectors in the LM initiative
5. Requirements for market regulation



Criteria (2/2)

6. Standardisation issues and timing
7. Issues related to Intellectual Property Rights (IPR) specific to the area
8. Fostering an innovation-oriented approach in public procurement
9. Potential for public measures to alleviate obstacles to financing innovation

Expectations

- Establish the economic, strategic and public interest for developing a lead market approach
- Identification of policy instruments to support the emergence of lead markets
 - In particular regulations, standards, labels, public procurement, IPRs, voluntary industry or policy targets, etc.)
 - Recommendations on how to address obstacles and need for drivers
- Roadmap for the implementation, considering legal constraints and foreseeable market development

Interaction with stakeholders

- Importance of consulting stakeholders on the outcome of the market drivers' and on the policy recommendations
- In particular, European Technology Platforms, Europe INNOVA Panels, European Associations, Expert Groups, etc.
- Mechanism adapted at the different nature of the lead markets

Timetable

- End May '07: individual reports on proposed lead market areas
- End June '07: synthesis report for the «Competitiveness Council» Group of Commissioners
- End Sept. '07: Draft policy document
- End Nov. '07: Commission adopts policy document



Concluding remarks

- The ambition is to make emerging markets more innovation-friendly by setting the market conditions appropriately for whatever product, service and technology
- Pilot nature of the initiative - «Proof of concept » for a systematic and integrated approach
- Commitment of industry for the success of the initiative