

# European Innovation Act Consultation

CurrENT's response to the EC's public consultation

## Introduction

**This public consultation forms an integral part of the preparation of the European Innovation Act.**

**The overall objective of the European Innovation Act is to create cross-sectoral framework conditions conducive to bringing innovative ideas to market in all sectors. Improving the commercialisation of innovation is important as the uptake and diffusion of innovative solutions in the EU Single Market is suboptimal compared to the EU's main global competitors. The European Innovation Act aims to address the key challenges faced by all innovative companies in the EU, both large ones and smaller ones, that are affected by this problem. However, it will also address specific needs of smaller companies, in particular start-ups and scale-ups, as they face additional hurdles that make it more difficult for them to access the market and grow.**

**The purpose of this public consultation is to collect feedback on the key challenges faced by innovative companies in the EU in the context of the preparation of the European Innovation Act. This includes six categories of challenges related to access to finance, talents, markets, infrastructures, commercialisation of publicly funded research and innovation, as well as regulatory complexity and red tape. The public consultation is divided into separate sections for these six categories, plus an additional Section 7, where you can provide us with information on other additional challenges that make it difficult for innovations to reach the market. It is not mandatory to respond to all sections of the consultation, so if you are only affected by one of the six categories of challenges and want to reply only to questions about that one field, it is possible to navigate directly to the questions for that specific section. It is only mandatory to complete the information in the "About you" section.**

**The results of this public consultation will be summarised in a factual report, which will be published on the Have Your Say website within eight weeks of the deadline for the consultation. The results will also be analysed together with other data collected through targeted stakeholder consultations and the impact assessment. At the end of the survey, you can upload a file with a more detailed contribution and find our contact details if you wish to submit additional confidential information that you wish to share only with the European Commission.**

**A separate public consultation is also being launched simultaneously on the 28th Regime, with focus on EU corporate legal framework, which also looks at**

the challenges faced by companies in other areas including access to finance, tax and labour law, as well as insolvency.

# 1. Access to an easier, more coordinated framework

## 1.1. EU definition for innovative companies, startups & scaleups

There are currently no EU level definitions for ‘innovative company’, ‘start-up’ and ‘scale-up’ that apply across EU legislation. (There are definitions of start-ups and scale-ups in the EU General Block Exemption Regulation but those are tailored solely for the purpose of State Aid control.) This makes it difficult for both large and small companies like start-ups and scale-ups that want to innovate in the EU to obtain equal recognition of their status and to make full use of the associated rights and benefits. This also makes it difficult for the European Union to propose tailored policies in support of these types of companies and to evaluate the impact that such policies have achieved once they are in place. Establishing such definitions in EU law could benefit these companies in their journey across the innovation landscape in the EU, by, for instance, improving legal certainty on their status under EU law and on the related rights and obligations. Having these definitions could also make it possible to bring about targeted simplifications of the EU regulatory requirements for these companies (for other company types, such as SMEs, certain simplifications already exist). This could, for example, result in (i) a lower administrative and regulatory burden (for example, by creating exemptions from regulatory obligations for these types of companies), (ii) an easier framework for doing business across the EU, (iii) easier access to finance and to research and technology infrastructures, (iv) easier access to information about relevant support opportunities or (v) a richer innovation through better collaboration synergies between such companies across the EU.

*Q1) Different EU Member States use different definitions of ‘start-up’, ‘scale-up’ or ‘innovative company’. The difference between these definitions typically lies in the elements that they use to construct the definition (e.g. company age, company turnover, company expenditure on research and development, etc.). Has your company / organisation experienced concrete benefits or problems associated with the way in which such definitions are used in the country(ies) in which you operate?*

	Yes	No	Not applicable
I find the way in which my country applies such definitions beneficial			x
I find the way in which my country applies such definitions problematic			x
I have experienced problems because different countries in which my organisation operates are using different definitions			x

### Possible way forward

Q2) To what extent do you agree that the establishment of EU-level definitions for 'innovative company', 'start-up' and 'scale-up' could bring the following benefits:

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
Easier <b>to operate my business in more than one country</b> in the EU		x				
<b>Simpler, clearer and better targeted</b> national and EU support mechanisms for the community of innovative companies, start-ups and scale-ups		x				
<b>Improved legal certainty</b> on the status of the company across the EU and its associated rights and obligations		x				
<b>Enhanced collaborations</b> leading to a richer innovation-driven ecosystem	x					

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
Easier access to <b>research and technology infrastructures</b>		x				
Easier access to <b>finance</b>		x				
Better options for <b>lowering the administrative and regulatory burden</b> on start-ups, scale-ups and innovative companies		x				

Q3) Once EU definitions of start-ups, scale-ups and innovative companies are created, which existing requirements under EU law should be simplified for these categories of companies? (400 words maximum).

**CurrentENT's response:** One of the main challenges our members face is understanding the precise definitions of SMEs and small mid-caps, as well as the eligibility criteria outlined in the EIC Work Programme. While the definition often mentions a limit of 'up to 499 employees,' it remains unclear whether this is the only requirement or if additional criteria such as capital or turnover thresholds also apply and how they are assessed. This lack of clarity makes it difficult to accurately determine eligibility.

## 1.2. Innovation stress test

Well-designed regulatory frameworks can serve as catalysts for innovation. However, the role of regulation in fostering innovation is often insufficiently considered during the legislative processes, resulting in unintended barriers to technological advancement and economic growth. Responses received by the European Commission in the public consultation on the EU Start-up Scale-up Strategy and studies on the link between legislation and emerging technologies indicate that there is both EU and national legislation that makes it difficult for companies to bring their innovative solutions to the market. Assessing the potential impact of upcoming legislation on innovation when it is being drawn up could help ensure that new rules do not place disproportionate restrictions on innovation and that, where possible, they make optimal use of available mechanisms to actively stimulate innovation. An innovation stress test could provide a checklist of questions to help legislators assess impact of this

kind in a structured way. An innovation stress test could thus help make legislation more innovation-friendly in line with public interests.

Q4) To what extent do you agree with the following statements?

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
There is currently legislation in place in the EU that <b>hinders my organisation</b> in developing and testing innovative solutions and/or easily placing them on the market.	x					
Legislators need to more carefully <b>assess the potential impact that legislation can have on innovation</b> , both when they prepare new legislation and when they revise existing legislation.		x				

Q5) To what extent do you agree that, when assessing the potential impact of legislation on innovation

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
Legislators should			x			

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
consider if it makes sense to introduce a <b>regulatory ladder</b> that increases regulatory requirements in line with the increasing size of companies and their impact on the market, to check if the regulatory burden can be relieved on innovative start-ups.						
Legislators should consider if it makes sense to introduce a <b>fast-track procedure for companies to obtain regulatory advice.</b>	x					
legislators should consider if makes sense to make <b>provision for regulatory sandboxes</b> in their legislation.	x					

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
legislators should consider if it makes sense to introduce a <b>fast-track procedure for obtaining permits</b> for innovative technologies that are strategic for safeguarding EU economic security.	x					

Q6) What potential impact on innovation do you think should be considered in an innovation stress test? (200 words maximum)

**Current's response:** New regulations and rules governing energy infrastructure investments should first and foremost align with the Energy Efficiency First principle, as set out in Articles 3 and 27 of the Revised Energy Efficiency Directive (Regulation (EU) 2023/955).

An effective innovation stress test should not merely ask, "Does this regulation work for today's technology?" but rather, "Does this regulation create space for future grid technology breakthroughs and their upscaling?" For instance, such a stress test could evaluate how regulations impact different types of companies such as university spin-offs, SMEs, small mid-caps, or multinationals.

Key considerations should include:

- **Technology maturity and market access:** Do the rules favor only established technologies? Could overly prescriptive standards prevent "first deployments" from entering the market?
- **Private capital attraction:** Does the initiative sufficiently reduce risk to draw private investment?
- **Market entry barriers:** Does a lack of accredited testing facilities delay market entry? Are there incentives for transmission and distribution companies to demonstrate and scale innovative grid technologies, or does regulation discourage deviation from the status quo?

- **Cross-border learning:** Is there adequate support for sharing lessons from pilots across member states, enabling innovations proven in one country to be rapidly adopted EU-wide?
- **Policy flexibility:** Could regulations unintentionally favor a single “preferred” solution, shutting out smaller, high-impact demonstrators that offer greater long-term benefits at lower cost?

## 1.3. Regulatory sandboxes

Regulatory sandboxes provide opportunities to enable companies to test innovative solutions (including innovative ideas, processes, products, business models and services) in a safe and controlled real-life environment under the supervision of competent regulatory authorities. They also stimulate regulatory authorities’ policy learning (e.g. potential impact of innovative solutions on legislation), which can help them design and/or adjust regulations that support the smoother market introduction of innovative solutions.

EU Member States use different definitions of what is a regulatory sandbox, what it can support and how different companies and regulators can benefit from it. This can create a complex landscape for companies to navigate. This may also make it more difficult for regulatory authorities from different countries to join forces and implement cross-border regulatory sandboxes together. Establishing an EU-wide legal definition of regulatory sandboxes could help achieve a more commonly shared understanding of them and foster their wider implementation across the EU.

Q7) Current situation

	Yes	No	Don't know
Do you / your organisation have <b>experience</b> with participating in or setting up a regulatory sandbox in the EU?	x		
If you answered 'Yes' to the first question, did you / your organisation experience any <b>problems</b> when involved in regulatory sandboxes in the EU?		x	
If you answered 'Yes' to the first question, did you / your organisation			x



	Yes	No	Don't know
experience concrete <b>benefits</b> from being involved in regulatory sandboxes in the EU?			

Q8) If your reply to any of the last two questions was 'Yes': Please let us know what **specific problems or benefits** you experienced from your participation in regulatory sandboxes in the EU. (200 words maximum)

**CurrENT's response:** Grid technologies are recognised as innovative net-zero technologies in the EU Net Zero Industry Act. Consequently, Net-zero regulatory sandboxes for innovative net-zero technologies should be rigorously applied to grid technology innovation in accordance with the regulation to provide for "controlled real-world environment, under a specific plan, developed and monitored by a competent authority".

It seems that large uncertainty exists among Member States as to how to apply the regulation to grid technologies. When it comes to grid technologies, frameworks should be developed to enable controlled real-world environments with participation of system operators, energy regulators and technology providers. They should allow for the development, testing, and validation of cutting-edge grid technologies, accelerating their deployment and easing their integration into the electricity systems of Europe.

The electricity transmission and distribution sector is characterised by regulated companies whose main task it is to keep the lights on. New, innovative products are sometimes perceived as a risk to security of supply, because it deviates from business as usual. It is our experience that this perception can sometimes be overcome by a wider use of digitally aided procedures and innovative grid technologies, including, hardware in the loop and digital twins.

Ensuring availability and funding for these approaches to evolve, should be considered in connection with developing regulatory sandboxes for grid technology demonstration. Moreover, mechanisms that ensure that the test results in one jurisdiction (operating system) can be shared with other distribution and system operators, to avoid having to perform the same test or demonstration in each system.

Q9) In your opinion, how important is it to address the following aspects to facilitate the wider implementation of regulatory sandboxes?

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
There should be regulatory	x					

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
sandboxes for <b>newly emerging technologies</b> .						
There should be regulatory sandboxes for <b>existing technologies that are evolving</b> .	x					
There should be more possibilities for regulatory sandboxes at <b>national level</b> .	x					
There should be more possibilities for <b>cross-border EU-level sandboxes</b> .	x					
There is a need for a <b>better common understanding across Europe</b> on regulatory sandbox implementation to foster their wider implementation.	x					
An <b>EU-level definition</b> of 'regulatory	x					

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
sandbox' would help to achieve a better common understanding across Europe.						
Regulatory sandboxes should enable <b>all types of companies from across Europe</b> to test their innovations efficiently.	x					
There is a need for tailored initiatives to <b>facilitate the participation of SMEs, start-ups or scale-ups</b> in regulatory sandboxes (e.g. awareness campaigns, guidance).		x				

## 1.4. Coordination of innovation policies and programmes

Efforts to improve the performance and impact of innovation policies are largely uncoordinated across the EU. A [European Parliamentary Research Service \(EPRS\) study](#) has found that a coordinated approach at EU level could boost gross domestic product (GDP) by 0.9% by 2035, while a more ambitious integrated approach could increase GDP by 2.6% by 2035.

The EU has an informal European Innovation Council Forum (EIC Forum), which brings together representatives of Member States' and Associated Countries'

**public authorities and bodies in charge of innovation policy and programmes. Its main role is to promote collaboration and dialogue on the development of the EU's innovation ecosystem. However, the EU lacks a formal platform for coordinating innovation policies, programmes and investments between the EU and national authorities, and among the different countries themselves.**

Q10) To what extent do you agree with the following statement?

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
The insufficient <b>coordination of innovation policies*</b> between the EU and the national authorities as well as among the different countries themselves makes investments in innovation less effective.	x					
There is a need for better alignment of <b>innovation programmes and investments</b> between the EU national authorities as well as among the different countries themselves.	x					

**\*innovation policies, in this context, means policies for non-R&D innovation**

Q11) Are there any other key challenges regarding the coordination of innovation policies, programmes and investments that you would like to highlight? Has your organisation experienced specific problems because of the current situation of largely uncoordinated innovation policies across the EU that should be addressed in the future? (200 words maximum)

**CurrENT's response:** The EIC has proven highly effective in scaling up cleantech innovation, with every euro invested through the EIC Fund leveraging more than three euros from private investors. To build on this success, its funding should not be merged into the broader Competitiveness Fund. Instead, the EIC should remain independent, with an increased budget and stronger coordination and complementarity with the EIB.

*Q12) To what extent do you agree that the following approach is well-suited to improving coordination between innovation policies and programmes?*

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
Turning the existing European Innovation Council Forum into an <b>official innovation forum at EU level</b> – which would be composed of national high-level representatives responsible for innovation policy and programmes and the Commission – with a mandate to coordinate innovation policies, programmes and investments between the EU and national authorities, as			x			

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
well as among the different counties themselves.						

## 2. Access to finance

### 2.1. Access to sufficient financing for bringing innovations to the market

Underinvestment in innovation and commercialisation is a challenge for Europe across various technology sectors, in particular also for strategic technologies. This manifests itself in difficulties to bring innovative products and services to the market. To square this circle, innovative companies need access not only to financing for R&D. They also need access to financing for innovation activities that support the commercialisation, market uptake and diffusion of innovative solutions.

Such financing can take various forms (such as tax incentives, grants, loans, acquisition contracts, equity investments, guarantees and risk-sharing schemes). To reach sufficient critical mass of investments, EU and national public financing could be combined in a smarter way and act as a leverage to crowd in additional private financing.

Q13) To what extent do you agree with the following statements?

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
To bring R&D successfully to the market, it is important to increase not only <b>public investment in</b>	x					

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
<b>R&amp;D</b> but also simultaneously <b>public investments in innovation</b> .						
<b>Raising investments in strategic technologies</b> is particularly needed, due to their economic importance and high up-front costs and risks	x					
<b>Public investment in innovation</b> needs to be strengthened in order to close the innovation gap with other parts of the world.	x					
Raising public investment in innovation would have a <b>positive effect on raising private investment</b> in innovation.	x					

Q14) What are the **most important barriers** that you are facing to raise sufficient public and private investment to bring innovative solutions to the market? (400 words maximum)

**CurrENT's response:** The European Commission must prioritize funding access for enabling technologies such as innovative grid solutions. They often operate under very complex conditions when seeking to demonstrate and scale up production and deployment. The market for electricity infrastructure is

regulated, due to the nature of the electricity sector. Often there are no incentives for distribution and transmission system operators to demonstrate and apply innovative technologies, even those that can demonstrate positive economic and environmental benefits. This is despite the Energy Efficiency First principle, which should be more rigorously applied to new energy sector regulations.

The EU should make the Innovation Fund accessible for grid innovation and demonstration by introducing sector-specific calls for electricity grid technologies. Despite the ETS Innovation Fund allocating €3.1 billion since 2020, grid innovation has received no support, while hydrogen and CCUS projects have dominated funding due to the hardware requirement of the fund. Expanding this scope to include grid enhancing technologies is crucial to sustain Europe's competitive grid edge. This imbalance must be corrected to reflect the critical role of grids in achieving decarbonization and energy independence.

The Horizon Europe programme has started to acknowledge the importance of research and innovation in electricity grids, particularly in areas such as MVDC, HVDC, and high-power superconducting cable systems. However, we are still far from meeting the actual needs of a modern, decarbonized, and resilient European power infrastructure.

While the CEF programme offers substantial funding opportunities, its administrative complexity and lengthy procedures make it ill-suited for innovative grid technologies, which can be deployed in months rather than years. The programme should introduce more agile and flexible funding mechanisms, tailored to the needs of fast-deploying, high-impact grid technologies. Reducing administrative burdens and accelerating approval timelines will be crucial in ensuring that Europe remains competitive in grid innovation. CurrENT also highly welcomes the Commission's proposed fivefold increase to €30 billion for the Connecting Europe Facility for Energy, to support European investment in cross-border energy infrastructure, renewables, and storage, as part of the EU's new Multiannual Financial Framework 2028-2034.

*Q15) To what extent do you agree with the following statements? Good steps forward are:*

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
Develop an <b>EU action plan or roadmap</b> to raise the level of	x					



	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
innovation investment across the EU.						
Develop <b>national action plans or roadmaps</b> , in conjunction with the EU, for raising innovation investment in Member States.	x					
<b>Monitor the level of innovation investment in the EU</b> , and benchmark this against investments in other parts of the world.		x				
Ensure that there is an appropriate balance between <b>supply- and demand-driven innovation</b> , in public innovation investment.	x					
<b>Cooperate/align with the private sector</b> to raise the level of public and private innovation investment in the EU.	x					

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
Develop specific <b>innovation investment pathways</b> to accelerate time it takes for <b>strategic technologies</b> to reach the market.	x					
Move to <b>more agile governance structures</b> to combine national, EU and private financing for opening these innovation investment pathways.	x					

## 3. Access to Markets

### 3.1. Accessing the private procurement market

Private buyers can be significant customers for innovative companies. A first customer reference from a well-known industry player can help to raise the profile of an innovative solution and attract other customers. However, it can be challenging for innovative companies to find private buyers for their innovative solutions in the EU. The evolving international landscape also makes it challenging for EU companies to ensure that their supply chains are resilient and to contribute to EU technological sovereignty.

*Q16) To what extent do you agree with the following statements about the private procurement market in the EU?*

	Strongly agree	Agree	Neutral	Strongly disagree	Disagree	No opinion
It is difficult for innovative companies to find private buyers in the EU for their <b>innovative solutions</b> .	x					
Private buyers in the EU are still too risk-averse to buy solutions from smaller innovative companies.	x					
There is a need to <b>ensure a level playing field so that innovative EU suppliers</b> can compete with non-EU suppliers on the private procurement market.		x				
EU companies are facing <b>supply chain dependencies, including the risk of over-reliance on non-EU products</b> , especially concerning products that rely on strategic technologies that are key to safeguarding EU resilience and EU technological sovereignty.		x				

	Strongly agree	Agree	Neutral	Strongly disagree	Disagree	No opinion
There are <b>legal barriers</b> or a <b>lack of regulatory incentives or simplifications</b> that hold back private buyers from buying in a more innovation-friendly way and/or to increase their resilience.	x					

Q17) Please let us know if, **as a supplier, you have experienced any other barriers to bringing innovative solutions** to the private procurement market in the EU, and please provide any suggestions you may have on how to overcome such barriers. (200 words maximum)

**CurrENT's response:** The electricity transmission and distribution sector is characterised by regulated companies whose main task it is to keep the lights on. This creates a tendency for system operators to focus on that short term task, to some extent ignoring the need for testing and scaling innovative grid technologies, to meet the wider strategic objectives of the EU. Meeting our decarbonisation, energy independence, and electrification objectives, with an energy supply predominantly delivered by variable wind power and intermittent solar requires drastic changes to our electricity grids and a change of mindset that embraces innovation.

Procurement for breakthrough innovations is currently significantly underused in both Horizon Europe and national programmes. Article 27 of the Net Zero Industry Act (NZIA) calls on Member States to use public procurement to stimulate the manufacturing of and demand for innovative net-zero technologies. The revised Public Procurement Directives should embrace this approach. Both the demand-side and the supply-side pathways should be prioritised to stimulate development of innovative grid solutions, accelerate their market entry, and strengthen Europe's leadership in key green technologies

EU and Member States should align regulatory incentives to promote the deployment of innovative grid solutions. This can be achieved by:

- Shifting regulatory incentives for grid operators from CAPEX-heavy infrastructure projects to OPEX-based flexibility services and digital optimization tools.

- Introducing mandatory flexibility procurement obligations for DSOs, requiring them to consider innovative solutions before investing in grid reinforcements.
- Standardizing grid data access rules across Member States, allowing startups to integrate with existing grid management systems more seamlessly.

Q18) To what extent do you agree with the following statements about the private procurement market in the EU?

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
Private buyers in the EU that <b>receive public funding to procure solutions</b> (e.g. from public R&I or deployment funding programmes), should adopt procurement practices that promote innovation and support the participation of start-ups and innovative companies.	x					
<b>In general</b> , also when private buyers in the EU procure solutions <b>without public funding</b> , they should adopt procurement practices that promote	x					



	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
innovation and support the participation of start-ups and innovative companies.						
<b>Private buyers that own/operate critical infrastructure*</b> should take special care to procure in a way that <b>safeguards the resilience of their supply chains</b> , preventing blackouts in essential services and ensuring that public security is not compromised.	x					
<b>Private buyers that own/operate critical infrastructures</b> should adopt procurement practices that <b>enable access to innovative solutions</b> and facilitate participation by startups. These should support the development of <b>strategic technologies**</b> within national or	x					

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
European ecosystems and help reduce dependencies on external suppliers.						

\* Some **private buyers** own or operate **critical infrastructure** that offer essential services that underpin functions or economic activities that are vital to society in the EU (e.g. telecom operators, airline operators etc.)

\*\* **Technologies that are of strategic importance to EU economic security** (such as microchips and AI). These tend to be high-tech, innovative technologies that are often building blocks or enablers for many other products/systems that are used by critical infrastructure.

## 3.2. Accessing the public procurement market

Public procurement has great potential to drive the development and deployment of innovative solutions from the demand side. However, [EU benchmarking of national innovation procurement investments](#) shows that while healthy economies around the world invest at least 20% of public procurement in innovation procurement, in the EU this figure is much lower - a little over 10%.

A [group of experts appointed by the EC](#) analysed legislative barriers in Europe that prevent innovative companies from accessing public procurement and from growing their businesses across the EU market. Such barriers may appear in public procurement processes that fall under the EU public procurement directives, and those outside them.

The upcoming revision of the EU public procurement directives will seek ways of making the public procurements that fall under those directives more innovation-friendly. Accordingly, this public consultation does not focus on those type of procurements.

However, 70% of public procurement, including often R&D services procurements and other types of procurements of innovative solutions, are implemented outside of those directives. In this context, the EU European Innovation Act may provide a fast-track procedure for public procurement of R&D services falling outside the public procurement directives, including pre-commercial procurement as a leverage to increase total investment in public innovation procurement. Such procurement of R&D services may procure only R&D activities, or a combination of R&D activities and first innovative solutions resulting from R&D.

Q19) To what extent do you agree with the following expert recommendations for addressing the barriers faced by innovative companies in such public procurement?

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
Public buyers should carry out <b>open market consultations</b> before public procurements that buy R&D and/or innovative solutions, so that buyers are well informed about the most recent developments and innovations when drafting tender specifications.	x					
Suppliers sometimes miss important business opportunities because announcements for upcoming open market consultations and the resulting public procurement for R&D and/or innovative solutions are not always transparently publicised. Public buyers should therefore <b>make it easier for suppliers to become aware of such business opportunities</b> .		x				
In order to ensure that IPR conditions used in public procurement that buy R&D and/or innovative solutions do not deter suppliers from protecting and commercialising their innovations, public buyers		x				



<p>should <b>buy only those IPR rights that they really need.</b> <i>(studies show that usage rights and some licensing rights tend to be sufficient, and that full transfer of IPR ownership to the buyer is only needed in limited situations).</i></p>						
<p>To ensure that public buyers give suppliers <b>sufficient room to offer innovative solutions</b>, such public procurements that buy R&amp;D and/or innovation solutions should make <b>wider use of functional or performance-based specifications.</b></p> <p><i>Such specifications do not prescribe the solution to be delivered but, rather, the problem to be solved, and leave it to suppliers to propose the best solution to meet the required functionalities or performance levels.</i></p>	X					
<p>In public procurements for <b>buying R&amp;D and/or innovative solutions</b>, contracts should be awarded <b>based not only on lowest price, but also on other criteria.</b></p>	X					
<p>For this type of procurements, it would be helpful to create a set of <b>EU innovation procurement criteria</b> that provide legal certainty on how public buyers can take into account factors other</p>	X					



than price, such as i) the quality of different types of innovative solution and of various strategic technologies that the solutions may rely on, ii) the EU added value, iii) innovation impact and iv) the total cost of ownership of an innovative solution.						
<p>The EU should provide legal clarity on how <b>value engineering</b> can be used in such public procurements that buy R&amp;D and/or innovative solutions.</p> <p><i>This would enable public buyers i) to accept proposals from their suppliers to incorporate new technological improvements that become available only during contract implementation (e.g. to improve quality/performance at the same cost or lower cost) and ii) to provide contractors financial incentives for engaging in such an approach.</i></p>		X				
Payment methods used in public procurements that buy R&D and/or innovative solutions should be made more suitable for start-ups and scale-ups: e.g. by increasing the use of <b>pre-financing payments</b> and <b>accelerated</b>		X				

<b>payments</b> to start-ups and scale-ups (e.g. within 15 days)						
A template subcontracting agreement should be created that protects the <b>rights of subcontractors</b> in public procurements that buy R&D and/or innovative solutions (such as the right to proper payment, respect of their IPR and the rights that financial investors may have in such innovative companies) in order to help such companies avoid financial difficulties.			x			
<b>Unjust disqualification of bidders</b> in procurements for R&D and/or innovative solutions <b>should be prevented</b> .  <i>This could be facilitated e.g. by clearly defining when financial requirements are disproportionate, by ensuring that bidders can prove their financial capacity by means other than just turnover (e.g. backing from financial investors / banks), and by discouraging disqualification of bidders based solely on lack of performance history or purely on administrative omissions that could be rectified.</i>	x					
To make it easier for new players to enter the market, public buyers should have a simpler way to	x					

implement <b>multiple sourcing</b> in procurements for R&D and/or innovative solutions.						
Legal hurdles that make it difficult for public buyers from different EU countries to <b>procure R&amp;D and/or innovative solutions collaboratively should be removed</b> so that such procurements can create sufficient critical mass of demand that enables innovative companies to grow across the EU.	x					
Clear legal provisions should be provided for how public buyers can <b>reinforce EU technological sovereignty</b> in procurements that buy R&D and/or innovative solutions.		x				
<b>Public buyers that own/operate critical infrastructure*</b> should take special care to procure in a more innovation-friendly way. <i>Why? Firstly, the procurement of R&amp;D and/or innovative solutions can help <b>upgrade their critical infrastructure with cutting edge solutions</b> that are essential for them to deliver high quality, safe and robust essential services to society, and, secondly, it can help them to <b>diversify their supply chains with innovative companies</b> and <b>prevent over-reliance</b> on non-EU suppliers</i>	x					

that could have a detrimental effect on the security of supply of strategic technologies.						
<b>Public buyers that own/operate critical infrastructure*</b> should award public contracts for R&D and/or innovative solutions that rely on <b>strategic technologies not only based on the lowest price, but also on other criteria.</b>	x					

\* Some public buyers own or operate critical infrastructure that offer essential services that underpin functions or economic activities that are vital to society in the EU (e.g. government data networks, energy and water utilities)

Q20) Please let us know if, as public buyer or as supplier of R&D services and/or innovative solutions, you have experienced other barriers in the EU, and we would ask you to provide any suggestions you may have as to how to overcome such barriers. (200 words maximum)

**CurrENT's response :** Public procurement rules in many countries require bonding or retention for milestone payments in projects, equipment, and services. For small innovative companies, the cost of purchasing bonds can exceed the payment value and tie up capital, effectively creating a financial burden. Even retention, while slightly better, can still lead to negative cash flow due to unfavorable rates or timing.

During rapid growth, innovative companies often face high upfront costs for parts, labor, and other expenses, which can distort their financial health and make debt-to-revenue ratios appear unfavorable. As a result, they may fail to meet eligibility requirements for tenders, limiting their ability to compete and slowing innovation.

Introducing a public underwriting mechanism to reduce customer risk when tendering with innovative companies, or revising national procurement rules, would provide significant support. The issue affects companies even after multiple sales, not just during their first deployment.

Q21) Are there any **other aspects not mentioned above** that should be looked at for the procurements that could be covered by European Innovation Act, that you think need clarification? (200 words maximum)

To accelerate the rollout of innovative grid technologies, Member States must complement EU-level R&I funding with supportive regulatory frameworks. Regulatory sandboxes, as foreseen under the NZIA, should be set up to enable controlled testing of new technologies. This would help identify and address barriers to scaling, reduce unnecessary piloting before large-scale deployment, and inform future policy. At the same time, public tenders under Article 26 of the NZIA should incorporate innovation-related non-price criteria that recognize progress from EU and national R&I, ensuring a clearer pathway from research to market adoption

Innovative projects often fall into a “valley of death” at the demonstration or first-of-a-kind stage. The STEP programme and the Clean Industrial Deal Horizon Pilot are designed to bridge this gap by positioning close-to-market projects for follow-on support from the EIC Fund and the Innovation Fund. To maximise the impact of this more coordinated funding landscape, Member States should also be able to channel cohesion funds, through “as a service” mechanisms provided by the Commission, to top up the EU Framework Programme for selected scale-up projects.

### 3.3. Stimulating innovation procurement through R&I policies

R&I policies in Europe are gradually shifting towards supporting demand-driven R&I, rather than focusing solely on the supply side. **EU benchmarking** shows that so far 22 EU Member States have recognised that fostering innovation procurement is a strategic priority in their national R&I policies. However, innovative companies are still struggling to bring their innovative solutions to the public and private procurement market. The **Draghi report** and **EU expert reports** highlighted that there is still a lack of EU and national action plans for innovation procurement and that innovation procurement is still insufficiently rooted in R&I policies to help companies bring their innovative solutions to the procurement market and to support and encourage buyers to buy in a more innovation-friendly way. Therefore, as highlighted in the **May 2024 EU Council conclusions on knowledge valorisation**, there is a need to better anchor support for innovation procurement in research and innovation policies across Europe.

Q22) To what extent do you agree with the following expert recommendations for improving strategic **planning and anchoring of innovation procurement in research and innovation policies**?

	Strongl y agree	Agre e	Neutr al	Disagre e	Strongl y disagre e	No opinio n
<p><b>Innovation procurement should be better anchored into R&amp;I policies.</b></p> <p><i>This could include encouraging innovation procurement through R&amp;I policies for specific sectors and strategic technologies, and monitoring the contribution of innovation procurement investment to total R&amp;I investment.</i></p>		x				
<p><b>R&amp;I policies and programmes should provide better support and incentives for innovation procurement.</b></p> <p><i>For example, i) financial support for lighthouse innovation procurement projects, including for strategic technologies to enable public and private buyers to use publicly</i></p>		x				

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
<i>funded research and technology infrastructure for testing high-tech innovations for their procurements, ii) training and support for SMEs in applying for innovation procurement, and iii) training and support for R&amp;I/technical staff of public and private buyers in emerging innovative technologies and in drafting technical and IPR requirements in tender specifications in an innovation-friendly way.</i>						
In the context of increasing overall public and private R&I investment in the EU: <b>An EU roadmap or action plan</b> should be created to reinforce public and private innovation procurement investment <b>across the EU</b> with a view		x				



	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
to making Europe competitive with other major economies in this field.						
In tandem with national roadmaps and action plans for increasing overall public and private R&I investments: <b>National roadmaps or action plans for innovation procurement</b> should be drawn up, with clear goals, a timeline and monitoring of progress.	x					
It would be useful to create a clear <b>EU definition for innovation procurement</b> in line with definitions already used in R&I policies, in order to facilitate i) the anchoring of innovation procurement in R&I policies, ii) the creation of innovation procurement action plans or roadmaps, iii) the monitoring of		x				

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
progress and iv) the creation of innovation procurement incentives for public and private buyers.						
The EU should <b>make procurement of EU institutions and EU agencies more innovation-friendly</b> , so as to enable the monitoring of innovation procurement investment of EU institutions and EU agencies, thus enabling this aspect to reflected in total EU-wide R&I investment.		x				

## 4. Access to infrastructures

### 4.1. Access to research and technology infrastructures

Research Infrastructures and technology infrastructures\* can provide resources (such as advanced equipment, infrastructure and data collection) and services (such as R&D and testing services, consulting on experimental design and business-acceleration services). This can prove helpful for both companies and end-users in terms of i) conducting R&D, including testing of innovative solutions, and ii) fostering innovation. However, small innovative companies and potential buyers of innovative solutions may find it difficult to find and

**access suitable research and technology infrastructure to support their innovation, technology development and testing.**

\*Examples of research infrastructure include high-performance computing centres, biobanks, and climate and air-quality databases. Examples of technology infrastructure include biogas plants, clean-room facilities for chip production and test areas for road traffic safety solutions.

Q23) *To what extent do you agree with the following statements about the relevance of access to research and technology infrastructure for your organisation.*

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
Accessing a research or technology infrastructure is an <b>important part of the R&amp;D operations</b> of my organisation.		x				
I do not usually have sufficient <b>financial resources</b> in my organisation to access the necessary research and technology infrastructure.			x			
I do not have sufficient <b>expertise and experience</b> in my organisation to collaborate effectively with research and technology infrastructure.		x				
I am not sufficiently <b>aware of the services</b> of research and technology		x				

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
infrastructure that could help me scale-up my innovations.						
The <b>conditions for accessing</b> research and technology infrastructure are often complex and unclear.	x					
The <b>models for working</b> with research and technology infrastructure are not suited to the needs of my organisation.						x
The services and facilities of the research or technology infrastructures that I know <b>match my expectations</b> compared to how they promote themselves.				x		
Infrastructure staff are generally <b>aware of the needs of companies</b> such as mine and sufficiently tailor their standard experimental services to the specific needs of industrial users.				x		

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
The research and technology infrastructures that I am familiar with are NOT sufficiently open to <b>small innovative companies or prepared to work with them.</b>		x				
Research and technology infrastructures that I am familiar with are NOT sufficiently open to <b>public sector organisations</b> (e.g. to public buyers that want to test solutions) or prepared to work with them.				<u>x</u>		
<b>Legal, cultural or language barriers</b> deter me from using research and technology infrastructure available in another EU country.						x
Research and technology infrastructures offer <b>sufficient non-technological services other than experimentation</b> (such as consultation on experimental						x

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
design and business-acceleration services).						

Q24) What are the most significant challenges your organisation has faced when accessing research and technology infrastructure in the EU?

- Limited availability of facilities,
- High access costs,
- Complex administrative procedures,
- Lack of information regarding available infrastructure and the services offered,
- Fragmented IPR management frameworks and confidentiality concerns,
- Legal barriers in terms of access to research and technology infrastructure in other EU countries.

Q25) Feel free to provide more information on any **difficulties, in particular legal barriers**, that you have experienced in accessing research and technology infrastructure in the European Union, how critical they were and how to overcome them. (200 words maximum)

**CurrenT's response:** Lack of acceptance from customers to the results and outputs of independent research infrastructure output and the necessity to repeat works with another (often national) research body supported by the customer.

Q26) To what extent do you agree with the following statements about the possible way forward?

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
Public financing for research and technology infrastructure should be subject to their <b>openness</b>		x				

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
<b>to users across the EU.</b>						
The EU should have in place <b>dedicated access schemes for start-ups and scale-ups</b> for using research and technology infrastructure.	x					
Innovative companies should be given discounted <b>access</b> to research and technology infrastructure.	x					
The EU should have in place <b>dedicated schemes for public buyers</b> to access research and technology infrastructures, in order to test solutions in the context of innovation procurement.		x				
Access schemes should include <b>both technological and non-technological services</b> .		x				
Industry <b>access to research and</b>						x

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
<b>technology infrastructures should be simplified</b> , for example by proposing an EU blueprint for collaboration agreements with these infrastructures that clarifies specific contractual provisions such as IPR management and liability.						
The EU should aim for <b>greater alignment of conditions governing access</b> to research and technology infrastructure across Europe.		x				

## 5. Encouraging commercialisation of publicly funded research and innovation

In Europe, only a third of the inventions patented by universities and research technology organisations (RTOs) are commercialised. SMEs and large companies are equally active as commercialisation partners. There is thus still significant untapped potential to commercialise the knowledge / IPR that is created in publicly funded research and innovation. This requires to foster the commercialisation of academic research results and to enable better collaboration between industry, academia and the public sector.

IPR policies in universities and RTOs are not always designed to incentivise



academic researchers to become entrepreneurs themselves, or to transfer or license academic IPR efficiently to other companies on the market. Collaboration between industry, academia and public organisations can also be hampered when there are conflicts between the IPR policies of these different stakeholders. Standardisation, certification and permits are often a key requirement for placing a product on the market. However, academic researchers and small innovative companies such as university spinoffs and start-ups face difficulties with these processes due to their limited resources and pressure to start selling their products as early as possible.

Q27) To what extent do you agree with the following statements?

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
<b>IPR policies</b> in European universities and RTOs are not sufficiently geared to fostering the commercialisation of academic research results.						x
<b>Standardisation policies</b> in European universities and RTOs are not sufficiently developed to fostering the commercialisation of academic research results.						x
There are still <b>barriers to research and innovation collaboration</b> between industry, academia and		x				

	Strongl y agree	Agre e	Neutr al	Disagre e	Strongl y disagre e	No opinio n
public sector organisations.						

## 5.1 Commercialisation of academic research results

Q28) To what extent do you agree with the following statement about improving **the framework conditions for commercialisation of academic research results**?

	Strongl y agree	Agre e	Neutr al	Disagre e	Strongly disagre e	No opinio n
Member States should adopt, if not yet in place, <b>strategies promoting commercialisation of publicly funded research results generated in universities and RTOs</b> , including intellectual asset management, spin-off creation, and go-to-market strategies.						x

Q29) To what extent do you agree with the following statements about overcoming **IPR-related barriers** that hamper the commercialisation of academic research results?

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
European universities and RTOs should <b>have an IPR policy in place</b> that clearly outlines how they handle not only the protection, but also <b>licensing and transfer of intellectual assets</b> .						x
For all their publicly financed research, European universities and RTOs should <b>pursue adequate protection and commercialisation</b> of academic research results. To this end, every university/RTO should <b>have their own transfer office or set up joint transfer offices</b> between networks of universities / RTOs.						x
<b>Incentives and reward mechanisms</b> , both financial and non-financial, should be put in place to motivate researchers and universities/RTOs to pursue robust IPR protection and to		x				

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
enable them to benefit from successful commercialisation of academic IPRs.						
IPR transfer and licensing processes should <b>mitigate liquidity issues for start-ups/spinoffs</b> , while allowing universities and researchers to benefit from the economic success of the commercialisation of academic research results. <b>Templates</b> should be made available for organising the IPR transfer/licensing process based on e.g. virtual shares or licensing conditions that draw liquidity out of the company only when it starts making profits from successfully selling the solution to customers on the market or when co-investors [e.g. Venture Capitalists] exit.						x
<b>Capacity building</b> (which includes						x

	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	No opinion
technology scouting, identifying and assessing the appropriate technology transfer routes, IPR valuation, venture building, teaming up with investors and/or industry partners etc.) for staff in universities and RTOs should be strengthened to ensure that their technology transfer offices operate at high quality standards and facilitate the cross-border exploitation of knowledge.						
A <b>Europe-wide platform should be available</b> to researchers and universities and RTOs where they can list their IPR assets. This would make it easier for them to contact companies interested in exploiting their IPRs and for investors to assess, value and invest in innovative projects.						x