THE HEIDELBERG DECLARATION ON INNOVATION

EPP GROUP'S ACTION PLAN ON INNOVATION

December 2025

Innovation will decide Europe's future. Europe's prosperity depends on our capacity to innovate, scaleup and commercialise new ideas. Europe needs to close the innovation and productivity gap with the US and China to maintain its strategic autonomy. The Heidelberg Declaration on Innovation of the EPP Group aims to strengthen academic excellence, turn Europe's knowledge into market success and enable our innovators to lead globally. It sets the ambition for Europe to unlock its technological strengths and its human resource potential, not only for markets, but for the people who live and work here. Europe must become the most innovative continent with research and innovation at the heart of our economy. The EPP Group will champion this ambition: for a Europe that innovates, scales, and leads.

1. Make Europe invest in thefuture

- Remain committed to the EU and Member State target of spending at least **3% of GDP annually on research and development (R&D)** - with both public and private sectors contributing.
- Maintain a **stand-alone and independent Horizon Europe** with a user-oriented, excellence-driven, science-led and agile Framework Programme 10 (FP10). Significantly increase European Research and innovation (R&I) spending by providing an expert-driven Horizon Europe with at least €200 billion and further increase European support for defence research and development benefitting the mili-tary end user, through dedicated funding in the European Competitiveness Fund.
- Create new tools to **mobilise industrial R&D investment** to open markets for new solutions.
- Expand the capacity of the European Investment Fund (EIF) and the European Investment Bank (EIB) to channel **more resources and venture capital into innovative businesses**.
- Consider new investment mechanisms through the speedy advancement of the **Scaleup Europe Fund**, by pooling public and private capital to close the scale-up financing gap.
- Stop the outflow of Europe's most innovative companies by **closing the growth-capital gap** forcing start-ups to relocate or be acquired by foreign competitors. Strong European late-stage financing is needed for breakthrough technologies to scale and remain within European value chains.

2. Simplify and cut red tape

- Reduce complexity and fragmentation in European and national R&I systems, including by **simplifying administrative and compliance requirements** and **accelerating funding procedures**.
- **Accelerate permitting** for strategic innovation infrastructure by reducing regulatory barriers, setting EU-wide time limits for administrative decisions, and closing the gap with global competitors.
- **Complete the Single Market** by removing regulatory fragmentation, simplifying, and aligning innovation-related rules across borders.
- Adopt a **European Innovation Act** to simplify the regulatory environment, support access to finance and create the right regulatory framework for startups and scaleups to thrive. The swift introduction of an ambitious 28th regime for startups will help our best companies scale within our Single Market.
- **Protect European innovation** by harmonising and **strengthening intellectual property rights** and introducing simplified reporting for IP-intensive industries to support technology transfer.
- **Trust first and check later** by implementing a radical simplification of Horizon Europe to eliminate excessive fragmentation, ensure focus, and simplify access - especially for SMEs, start-ups and knowledge institutions.

3. Bridge the innovation gap

- Introduce an **'innovation check'** as a cross-sectoral principle in all EU programmes and existing and upcoming legislation.
- **Expand the European Innovation Council** (EIC) as the EU's flagship innovation programme, which serves as a bottom-up funnel for breakthrough innovation to develop quickly from fundamental science to innovation scale-up being able to take risk, invest in frontier technologies and connect to private capital markets.
- Strengthen and interlink the European Research Council (ERC) and the EIC to become the engine for a **European competition of ideas,** while strengthening their autonomy and keeping excellence as the essential criterium for FP10**.**
- **Complete the Savings and Investment Union** (SIU) as access to capital markets, especially for high-potential and high-risk ventures, is currently scarce in Europe. Furthermore, the SIU should promote channelling Europe's substantial pool of private savings towards capital markets. By unlocking new sources of long-term, risk-bearing finance, the SIU would reinforce Europe's competitiveness and economic resilience, while reducing reliance on non-European capital for the development of its most innovative companies.
- Ensure **access to world-class AI Factories** for European researchers, industry and startups by investing in AI Giga Factories.
- Create **AI innovation hubs** to merge industrial knowledge with AI capacities to be at the forefront of the next innovation waves in future industries and services.
- Strengthen the overall **Union's R&I capacity,** taking geographical balance into account, including through widening measures under Horizon Europe supporting regions lagging behind, combined with incentives for increased national investments in R&D, as innovation convergence across Member States could foster European competitiveness and strategic autonomy.
- Deepen **strategic innovation partnerships** with trusted partner countries to ensure close cooperation on standards, research, and technology openness.

4. Build strong innovation ecosystems

- Invest in **public-private partnerships** with centres of scientific excellence, including universities and research institutes, and innovation clusters that connect talent, industry, and entrepreneurship to foster technology transfer and commercial success from discovery to market-ready solutions.

- Support the creation and scaling of university spin-offs and high-tech start-ups through **better access to venture capital, public procurement, and risk finance.**

- **Foster collaboration** between established companies and start-ups through joint development projects, shared testing facilities, pilot lines and co-creation formats: large corporations can benefit from the agility of SMEs, while small businesses can leverage the resources and infrastructure of larger firms. Ensure that European technologies and innovations are embedded in value chains from the earliest stages of development.

- Support **regulatory sandboxes** to test new technologies safely and speed their entry to market. Invent first, then regulate.

- Accelerate the **adoption of AI** across all industries, with a strategic focus on sectors where it holds global competitive advantages, such as manufacturing, robotics, automotive, pharmaceuticals, the agri-food sector, and biotechnology.

- Exploit the opportunities brought by **quantum technologies** to reinitiate European industrial competitiveness, to start building a quantum internet, and build the resilient digital infrastructure necessary to succeed with Europe's ambitions in innovation. Build resilient digital and hardware infrastructures in Europe so that quantum technologies, chips, high-tech manufacturing equipment and enabling components are designed, manufactured and deployed within European value chains.

- Support the development of mechanisms that translate European excellence in quantum technology research into scalable, commercially viable products and **market-ready solutions**.

- **Boost Europe's biotechnology ecosystem** by strengthening research-to-market pathways, supporting biomanufacturing scaleup, and ensuring faster approval processes for safe, innovative biotech solutions across health, agriculture and industry.

- **Think globally and regionally**: connect innovation regions across Europe for specific innovation fields to be at the forefront of worldwide innovation processes and reduce disparities between regions. Support **strategic regional innovation**, building on leading centres and institutions across Europe to strengthen technological leadership and resilience.

- Enhance integration of the Internal Market and **reduce the cost of failure** to make innovative investment more attractive in Europe by increasing the return on investment.

- Accelerate **breakthrough research on cancer and other major diseases** such as Alzheimer's and dementia, by simplifying cross-border clinical trial procedures and creating a more agile and innovation-friendly regulatory environment to bring innovations to patients faster.

- Reinforce EU connectivity infrastructure by boosting the deployment of high-speed, low-latency, reliable and secure networks, which are essential for the development of technologies such as standalone 5G and 6G.

5. Protect freedom and talent

- Uphold **academic freedom** and **freedom of scientific research** as core European values.

- Create a single, borderless market for research, innovation and technology across the EU by advancing on the **European Research Area** (ERA) with specific measures addressing regional disparities and innovation gaps.

- Invest in **talent mobility and education** across the broad technological spectrum, with specific attention to digital, AI, and cleantech talent development to ensure a **skilled, innovative and competitive workforce**. Identify and promote **talent from a young age** in order to foster innovation, strengthen the labour market, and enhance long-term competitiveness.

- Attract the best research talent to work in the Union with the "**Choose Europe for Science**" initiative beyond 2027, targeting both researchers coming to Europe and those returning from positions abroad, and turn the current 'European brain drain' into a **'brain gain' by 2035**.