



**Speech of Durk Krol,  
WssTP Director**

**for the EP Water Group session dedicated to  
Water and Smart Specialization, March 2013**

## INTRODUCTION

Dear Mr Seeber, Mr Zotti, Members of the European Parliament, Ladies and Gentlemen,

Water is the basis of life. We were all taught this in school but nevertheless most of us still take water for granted, and still too few people realize how tremendously important advanced water services really are. It is impossible to imagine our lives without an adequate water supply and sewerage to take our used water away .

This quintessential resource and its related services are under increasing pressure due to demographic growth and urbanization, increasing globalization and wealth, and climate change. As a consequence the world is increasingly turning its attention to water scarcity. Many countries face water scarcity as a fundamental challenge to their economic and social development.

Investments in water can be an engine for accelerated economic growth, sustainable development, improved health and reduced poverty.

### WssTP

WssTP is the European Technology Platform for Water. Since 2004, WssTP has developed the Water Vision, a Strategic Research Agenda, and an Implementation Document, complemented by many thematic publications. Based on these three key documents, WssTP has been proactive in involving the European water sector and its supply chain in this common WssTP Water Vision. WssTP has successfully identified the key research activities and the gaps to be filled throughout the water cycle. Today, WssTP consists of 87 members, and a network of more than 700 individuals from Industry, Research, technology providers, and water users. WssTP represents a key mechanism to further coordinate research, demonstration and pilot projects in the water sectors and allied fields.

WssTP also successfully initiated the EUREKA Cluster on Water- ACQUEAU, to boost innovation and market driven solutions for the water sector. WssTP also closely collaborates with strategic

partners such as, JPI Water, ERRIN, EWP, COST, and other European Technology Platforms, in particularly SUSCHEM on sustainable chemistry.

## EUROPE

Europe has a long history in water services and is a global industrial leader in terms of service provision and technology development. The Deutsche Bank puts the annual investment required in the global water sector at about EUR 400-500 bn. The sector also has a large societal impact: it involves some 600.000 direct jobs and 136.000 jobs through SME's in Europe. This history has led to Europe having a wide spectrum of leading expertise in the various aspects of water resource management. Hundreds of institutions, SMEs, engineering and consulting companies have developed and continue to develop highly technical concepts to address water problems around the globe. Europe is also home to the 2 largest global water system integrators in the world. Many new technologies are proposed, researched and tested, resulting in publications and patents, and sometimes innovations.

However there is a mismatch of expectations between water service providers and asset owners (long term investment, minimum financial and technological risk) and technology suppliers (shorter term returns on technological innovations). This mismatch is a potential barrier to the further technological development of the sector, which may impact on the sector's ability to exploit the growing global opportunities.

With the Water Framework Directive and related policies, the EU has one of the most ambitious and challenging pieces of water legislation in the world which provides a clear driver for innovation in the water sector.

## DIVERSITY AND FRAGMENTATION

The European water sector is highly fragmented: water resources and water services are often managed locally. The wide diversity and the small size of most technology providers and the many different practices, policies and regulations in Member States and regions across Europe impede the transition of many of the new technologies to the demonstration phase. This fragmentation is an obstacle for developing a common research and innovation strategy for a competitive water sector.

At the same time the diversity of European climatic, social and economic conditions provides the European industry with a competitive test bed to develop and demonstrate full scale solutions to solve European water-related societal challenges and contribute to build an international competitive advantage.

### EIP WATER

The recently launched European Partnership on Water has the ambition to support and facilitate the development of innovative solutions to deal with the many water related challenges as well as to support economic growth by bringing such solutions to the market.

As with any large initiative the achievement of the EIP objectives, both strategic and operational, is highly dependent on the efficient coordination and communication of activities between actors across the water innovation value chain to create fruitful synergies.

For its further deployment it has to continue to focus on its unique selling point: the removal of barriers to innovation, and build and rely on the existing initiatives and their experiences.

### FINANCE & FUNDING

In a period in which the EU is focusing more on innovation, it has to be stressed that the water sector is a good vector for innovation, particularly in the key issues of resource efficiency, renewable energy from water, adapted systems to natural and water processes, adaptation and design of the city of tomorrow, and provision of better services to citizens through ICT. The EU should promote much greater investment for the water sector in research and development, innovation and applied research, and large scale demonstrators. Such programs need to be targeted to encourage partnerships between different types of stakeholders: large organizations, SMEs, utilities, end-users. To boost innovation and competitiveness in the water sector, there is a need to design a strong coordinated, integrated and innovative Water Programme for Europe.

In the water sector, research has traditionally been defined either at the local level by utilities or by researchers with a vested interest in defining research projects. To get value from investments in Research and development in the water sector it should be focused more on

demand and user needs. In many regards, Europe is not the best place in which to invest in new research, especially in a complex, risk averse and heavily regulated sector. A study by the Commission has revealed that in Europe it takes 10 years for research to be applied successfully in the water market, compared to half that time or less in our competitor counties. There is a need to create a framework to strengthen the dialogue between the sector, regulators and funders, in order to push competitiveness and technological capacities. Innovative funding mechanism need to be developed through a strong commitment from the EU for water related research & innovation to match the Commission's commitment to water policy and the environment.

According to the WssTP water vision "By 2030 the European water sector will be regarded as the global leader in the provision of sustainable water services." To maintain its strong global position Europe needs significantly to step up its investments (private investment, public support at the national level, and public support through the European Union) in research, technology development and innovation for the water sector. Based on the estimated need for a 9% share of EU investment, the European Commission needs to invest at least 360 – 510 million euros in water R&D and innovation in the period 2014 – 2020.

Horizon 2020, the Cohesion Policy and Common Agricultural Policy are the main EU funds for Water Innovation. Further, the European Investment Bank has the structure in place to aid EU companies investing in innovation and uptake of innovative infrastructure.

The opportunities for water related RTD&I through these EU funding mechanism will need to become properly aligned to cover the whole research to development to marketing chain and centered around the priorities identified in the WssTP SRA and the EIP Strategic Implementation Plan. Furthermore they need to be become aligned with the national and regional funding opportunities. And of course the private sector will need to contribute its part. WssTP is taking initiatives to facilitate this.

#### WATER & SMART SPECIALIZATION

Smart specialization means identifying the unique characteristics and assets of each country and region, highlighting each region's competitive advantages and rallying regional stakeholders and resources around an excellence-driven vision of their future.

An omni-present, multifaceted, and regional topic like water seems an ideal topic for smart specialization across many European regions.

In order to make sure that regions with a water potential do not miss out on this opportunity, WssTP has send a letter to the management authorities of all EU regions reminding them of the importance of including water in their national and regional innovation strategies.

Today we will hear from 3 regions what their smart specialization with regard to water is: Wetsus from Fryslân in the Netherlands, Dreampôle from Région Centre in France, and Puglia region in Italy.

I am very interested to hear what they have to say about their water-related smart specialization strategies.

Thank you for your attention.

Durk Krol  
Director WssTP