

EIP Water

Conference 2013

Networking & interacting – Innovating water



The European Water Platform

**Keynote speech of Tomas Michel,
WssTP President
for the first EIP Water Annual Conference, 2013**

INTRODUCTION

Dear Ladies and Gentlemen,

I am impressed and encouraged to see such a high turn-out for this 1st annual conference of the European Innovation Partnership on Water. The issues to be dealt with and the expected outcomes must therefore be important!

Commissioner Geoghegan-Quinn described EIPs in her Innovation Union flagship initiative as follows:

“European Innovation Partnerships should be launched to accelerate research, development and market deployment of innovations to tackle major societal challenges, pool expertise and resources and boost the competitiveness of EU industry”

This corresponds very well with the WssTP Water Vision defined in 2006 as: **“by 2030 the European water sector will be regarded as the global leader in the provision of safe, clean and affordable water services.”**

It is therefore obvious that WssTP has been strongly supporting the roll out of the European Partnership on Water from the beginning, as we recognize its potential to be a key instrument to overcome Europe’s water challenges and realise our Water Vision. Indicative for our support is the fact that 7 of our members are part of the EIP Steering Group and many more participate to the EP Task Force.

Briefly On Wsstp Itself

WssTP was initiated in 2004 by the European Commission and has recently been reconfirmed in 2013 as one of the best-performing ETPs under the new ETP2020 strategy.

Our membership represents the wide diversity of the European water sector: large industry, research institutes and academia, water utilities, the supply chain, SME's, and large water users.

Through our Member States Mirror Group, and close collaboration with European regions and ERRIN, other European Technology Platforms such as SUSCEHM, as well as with other relevant water-related European umbrella organisations such as Aqua Europa, EUREAU, EWA, EWP, EURAQUA, and Netwerch2O, WssTP is well placed to effectively push forward the EIP on Water.

WssTP has also proven to be a strong catalyst for EU research and innovation projects.

Vote On Our 2030 Water Vision

Coming back to the topic of today, this conference should be about accelerating research, development and market deployment of innovations to tackle major societal challenges, pool expertise and resources, and boosting the competitiveness of EU industry.

So, before proceeding, let me take advantage of the specific technology and ask you to vote whether you believe in our ability to achieve the WssTP Water Vision which is projected on the screens for this purpose.

The Water Sector

Ladies and gentlemen,

In principle we still have all the good cards in our hands, and just need to stay focused and play them right.

Let me remind you:

1. Europe has the world's longest history and track record in water services and is still a global industrial leader in terms of service provision and technology development.

2. This history has led to Europe having a wide spectrum of leading expertise in the various aspects of water resource management. Hundreds of European 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.
3. Not always sufficiently acknowledged, water is also an important economic sector. Deutsche Bank puts the annual investment required in the global water sector at about EUR 400-500 bn.
4. The sector also has a large societal impact: it involves some 600.000 direct jobs through utilities and another 136.000 in SME's throughout Europe.
5. 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, thus providing - in theory - a unique regulatory driver for innovation in the water sector. But of course it needs to be implemented!

And if in Europe we have had the foresight to acquire such a sophisticated and challenging legislation which serves as an example to many other regions in the world; why then shouldn't we also seize the innovative drive it can offer to provide the EU water sector: industry, agriculture and knowledge providers, with a clear competitive edge, worldwide?

However, despite these good cards, and the widely accepted importance and centrality of water for human development and wellbeing, I do not believe that Europe is developing its full potential, within Europe, and certainly not at a global scale. Rather, European water technology and solutions are today being threatened, and challenged, by competition from outside Europe.

Quick Wins and Long Term Solutions

The EIP on water represents an important milestone for the European Water sector as it provides an overarching framework for collaboration in such a fragmented sector and matches this with a potential leverage on the European level to bring about the needed policy changes on a European level.

Some quick wins can already be pointed out:

- A clear focus on bringing water research to the market, and on innovation, provided by the EIP Strategic Implementation Plan.
- For the first time a dedicated water call in the Horizon 2014-2015 Work Programme with a focus on market replication and demonstration activities;

However the expected long-term benefits of the EIP on Water are much larger.

Long-term benefits of the EIP on Water will be those that allow overcoming what I consider to be the major barriers to innovation in water, namely:

One of the major challenges for the European water sector remains its fragmentation. 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.

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 many water-related societal challenges and can thus contribute to build an international competitive advantage.

Also, 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 the contents of said 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.

The EIP water should continue to build bridges to overcome this fragmentation, seize upon the opportunities offered by Europe's diversity, and ensure a demand driven research agenda.

The water sector has traditionally been a low-tech industry with low expenditure on R&D. But as quality standards rise, the infrastructure deteriorates, water availability becomes more unpredictable, and as the imperative to reduce its carbon footprint grows, the role of

technology and innovation must increase. At the same time the water sector is capital intensive sector with long asset lives.

To maintain its strong global position Europe needs to step up significantly its investments in RTD 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 500 million euros in water RTD and innovation in the period 2014 – 2020.

Horizon 2020, the Cohesion Policy and Common Agricultural Policy are the main EU funds for Water Innovation. 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 centred around the priorities identified in 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.

Again, the dynamic provided by the EIP water supported by WssTP and other key stakeholders provides for a mechanism that can ensure this increase and alignment of funding opportunities.

And last but not least there is the issue of water pricing and the fact that water and its related services are still too often taken for granted without the proper appreciation of its value, leading to suboptimal use and allocation of the available water. This is a thorny and multifaceted issue but it needs to be addressed to ensure an innovative water sector.

Conclusion

Dear Ladies and Gentlemen,

Coming to a conclusion, there are still many challenges ahead of us to realise the WssTP Water Vision but also many opportunities where the dynamic provided by the EIP Water can play a very important role.

So it is time for **ACTION...**

ACTION for a competitive European water sector,

ACTION for employment and education in and for the water sector, and last but not least,

ACTION for a sustainable management of our water resources!

Allow me to end by using the simple but effective resource of citing really bright and recognized people, three visions to illustrate the spirit which should move us all to allow the EIP on Water to move on.

"Never confuse motion with action." Ernest Hemingway (USA, Writer, 1899-1961)

"You can have brilliant ideas, but if you can't get them across, your ideas won't get you anywhere." Lee Iacocca (USA, Carmaker 1924)

"Never doubt that a small group of thoughtful, committed citizens can change the world. Indeed, it is the only thing that ever has." Margaret Mead (USA, Anthropologist 1901-1978)

Let's **ACT** to make "the European water sector the global leader in the provision of safe, clean and affordable water services by 2030."

Thank you for your attention and I wish all of us a successful conference!

Tomas Michel
President WssTP