



EUROPEAN UNION
DELEGATION TO MALAYSIA

**"The Interface between Business and Academia:
The European experience"**

Speech by
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Dato' Professor Dr. Ruhjan Mustafa, Director General,
Department of Higher Education, Ministry of Higher Education,

Distinguished guests, from Asia and from Europe,

Ladies and gentlemen,

I am delighted to be given the opportunity to participate at this 3rd ASEM University – Business Forum 2012, to provide the European perspective to University – Business Cooperation, but also to present some of our other activities that we undertake in relation to modernising higher education.

But first, please allow me to do some "propaganda". As you know, recently Europe is constantly in the news because of the economic crisis. True, we are in a crisis. True, we have made mistakes. True, while we are putting our house in order, the

way forward is still long and tortuous. But at the same time, people tend to forget or dismiss that Europe is not only the Eurozone crisis. It is much more. As you know, only a few weeks ago, the European Union was awarded the Nobel Peace Prize. This is a very timely reminder that the European Union is the greatest peace project in history, bringing peace and prosperity to a continent with a very, very long history of war.

This is not the place or the time to dwell on this. But the reason why I am mentioning this is not simply because I have to, but also because there is, in my view, a clear link with the subject matter of today's Forum. In my view, cooperation and exchanges in the academic world within the EU Member States have greatly contributed to foster a climate of peace and mutual understanding. And where there is mutual understanding there cannot be war. Cooperation in the education field is, in my view, the greatest and most effective "multiplier" of peace in Europe and in the world.

Ladies and gentlemen,

After this little digression, let me get back to the topic of today's Forum.

Although the current crisis has hit our economies and our citizens hard, the evidence is clear that people with higher level skills and education have done better. We need a greater reservoir of highly skilled people; and we need to get better at harnessing the knowledge created within higher education for economic development.

This calls for change within higher education, in particular to **improve quality and relevance of education programmes**, to increase graduate employability and to meet the demand for people with high-end skills.

This imperative is at the core of the **EU agenda for modernising higher education**, adopted in 2011, to support reforms by the EU Member States and higher education institutions.

One of the main objectives identified in the reform agenda is to strengthen the "knowledge triangle", linking education, research and business.

Precisely with this objective in mind, that is to bridge the gap between the worlds of education and the work sector, the European Commission launched 5 years ago the **University-Business Forum**. Every year since 2008, the Forum brings higher education institutions, companies, business

associations, intermediaries and public authorities together; providing them with a space in which to interact, exchange information on good practice, discuss common problems and build closer working relationships in an effort to modernise higher education with a view to meeting the real-world needs of the European job-market.

The success of the annual Forum has shown that there is an appetite on both sides for enhanced cooperation focused on education.

However, dialogue is not enough. We need to encourage education and business to engage more decisively in structured forms of co-operation and partnerships.

So we must actively promote new types of partnerships between higher education institutions and business to help universities to modernise and companies to innovate.

This is why we have set up a new scheme, known as the ***Knowledge Alliances***. The objective is to encourage structured, result-driven cooperation ventures between universities and companies, bridging the gap between the two sectors.

The main added value of the ***Knowledge Alliances*** stems from the fact that it produces specific partnerships and that all disciplines and sectors can be addressed through a *Knowledge Alliance* project.

Two calls for proposals were launched in 2011 and 2012 and were met with an overwhelmingly positive response: more than 90 proposals for 3 projects selected in 2011, and more than 100 proposals for 3 projects selected in 2012! This demonstrates that this type of structured partnerships meets a very real need in the educational sector when looking for a reliable way of connecting with business.

Let me give you just two examples out of the 6 partnerships so far approved and sponsored under the Knowledge Alliances initiative:

KNOWFACT – This project focuses on creating a new paradigm between the Manufacturing sector and the academic world.

Coordinated by the University of Patras in Greece, this project involves 7 partners from 5 Member States.

The aim of the project is to address the failure of educational institutions to deliver the type of educational program that is required by industry and manufacturing. The project will focus on integrating the factory environment with the classroom, as

this seems to be the only way to move forward and address this problem. All the partners in this project are active in the field of manufacturing with strong R&D departments and will provide real-life environments for training and teaching, either real or simulated.

EUEN – European University Enterprise Network

Coordinated by Coventry University in the UK this project involves 7 partners from 4 Member States.

The project looks at how to best foster an entrepreneurial spirit through new approaches to education. It will engage with 200 students and 50 businesses as a testing ground. It will establish partnerships between enterprises, entrepreneurial universities and multinational companies with the aim of making an impact on long-term competitiveness in both the education and the business sector.

Ladies and gentlemen,

Let me now turn very briefly to the issue of Research and Development, as this is key for the interface between business and the academic world.

According to recent data, the EU will need at least one million new research jobs if it is to reach the R&D investment target of 3% of GDP in 2020. The overall actual number of researchers

required is significantly higher, as many researchers in Europe will retire over the next decade.

Helping produce good researchers is the purpose of the highly successful **Marie Skłodowska-Curie Actions**.

Marie Curie Actions are open to researchers of all ages and levels of experience, regardless of nationality.

The programme provides support to foster the human resources behind research and innovation, by providing international and intersectoral mobility plus attractive working conditions. The programme places particular emphasis on combining research and other skills that maximise employability.

One of the many Actions under the programme is the so-called **Industry Academia Partnerships and Pathways (IAPP)**. This is again an action promoting partnership and collaboration between business and academia through EU funding.

To qualify for financial support, a proposal must include **one or more universities or research centres and one or more enterprises**. On the business side, participation by small and medium-sized enterprises (SMEs) is encouraged. All of the partners get together and propose a project based on a joint cooperation programme. The industrial partners must be

operating on a commercial basis. In other words, they must be companies that earn most of their money by competing in the marketplace. But they may include incubators, start-ups, spin-offs, venture capital companies, etc.

Cross-border cooperation is another must. To be valid, project proposal must come from **partners in at least two different EU Member States**. There is also some scope for participation from Third Countries.

The overall purpose is to foster long-term partnerships between business and the highest levels of education and research. This is, in turn, vital to boosting innovation in Europe and developing a sustainable and flexible education system that meets the social and economic challenges of the future.

Ladies and gentlemen,

It is only through education that individuals gain knowledge and competences allowing them to fully participate in society and have meaningful lives.

The crisis has highlighted the value of higher education. Higher education graduates have done far better, with lower rates of unemployment across the continent. High-skilled jobs have proved more resilient in the face of the economic downturn and

high-skilled individuals have been better able to cope and adapt in a changing employment environment.

Higher education institutions must position themselves at the forefront of innovation. Higher education must embrace change. And one important step in this context is stronger interaction and cooperation between higher education and business.

I hope that by citing just a few examples of the many initiatives and actions which are taking place in the EU, I have been able to provide you with ideas that you may want to explore during your proceedings here today and tomorrow.

I am confident that this Forum will help making progress in this area.

Thank you.