

## European Innovation Act

*EUA response to the European Commission's call for evidence*

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The Innovation Act can be a stepping stone to addressing persistent hurdles to Europe's competitiveness.

The European University Association underlines the importance of all stakeholders in innovation ecosystems, particularly universities as the cradle of ideas that support ground-breaking innovation. The Act should put forward a mix of policies and funding that empowers universities to develop these ideas across the whole R&I spectrum, from basic to applied research and beyond, with low administrative burdens on projects.

To do so, the Act should reflect a comprehensive and dynamic understanding of innovation as a journey starting with awareness, curiosity and incentives. Innovation success is too often reduced to output metrics like patent counts or startups created, sometimes even overlooking existing intellectual property that remains unused due to unclear usage rights. A better approach would measure progress along the journey, including: talent development, innovation sabbaticals, technology readiness level advancements, job creation, collaboration agreements and contacts made. Contributing to innovation in existing industries of all sizes is also essential, as is the number of shared labs or facilities with external partners, and the use of national and EU funds.

Particularly for universities, innovation success also entails crossing disciplinary boundaries, mobilising multiple stakeholders and enhancing local and human development. The volume of invention disclosures, tech transfer and commercialisation is important, but must be looked at together with social and environmental impact and influence on policies and behaviours. The number of startups alone is an easily manipulated indicator and could have perverse effects if linked to funding. Ideally, it needs to be taken with quality and impact indicators such as survival rates and third party investment attracted initially and in later stages.

Of note, providing more capital to keep companies in Europe through new or expanded EU instruments is unlikely to fully address the hurdles of scaling up. Universities are vital to the scaleup phase because the local embeddedness of such companies requires partnerships and talent which universities can offer. If these ties are built and expanded, innovative companies are less likely to relocate. Europe's competitive edge must be built on a high-level R&I culture, solid career progression and work-life balance, as well as values-driven ecosystems emphasizing purpose and impact. Attracting and retaining talent requires capacity building for homegrown talent, recognition of diverse career paths and skillsets and a

supportive culture for innovation. It cannot be based solely on financial incentives like salaries or stock options.

Startups are human journeys, and well-functioning innovation hubs anticipate the needs of founders by weaving together people, programmes, physical spaces and private partners into a seamless support system. Bringing the public sector into a hub can speed up approvals by agencies for tax, labour, data protection or patents. Likewise, European collaboration can ease the search for investment to facilitate progress to the product or exit phase. Hubs should also help universities along structured pathways from lab to market, generating more mature research-based inventions and attracting companies that are willing to invest in product development.

Finally, entrepreneurship, often fragmented across different parts of the university, has to be unified and institutionally anchored. Universities need support to give it a clear and visible place in their strategies, to actively promote it to students and regularly adapt it to evolving societal needs, including for social innovation. Moreover, alumni engagement in entrepreneurial mentorship and the incorporation of IP into teaching can foster innovative talent. EUA is ready to engage with the European Commission on how best to achieve this through the Innovation Act.

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With more than 900 members and affiliates in 48 countries, the European University Association (EUA) is the largest representative organisation of universities and national rectors' conferences in Europe. By engaging with policy makers and stakeholders, EUA seeks to place research, education and innovation at the forefront of Europe's competitiveness and prosperity.