

Multiannual Financial Framework (MFF) and Framework Programme for Research and Innovation (FP10) of the European Commission

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Key recommendations

1. **Protecting budget allocation:** ensure that FP10 receives at least 1.5% of the EU's GDP to support robust research and innovation activities.
2. **Simplifying access and execution:** reduce bureaucratic hurdles to attract more participants and streamline processes.
3. **Promoting public-private partnerships:** leverage private funding to amplify public investment and foster collaboration.
4. **Enhancing collaboration:** strengthen synergies between FP10, national R&I programs, and local deployment initiatives.
5. **Focusing on equity:** prioritise inclusivity, ensuring all Member States and regions benefit from FP10 investments.

Introduction

Intelligent Transport Systems (ITS) are instrumental in creating smart, connected, and automated mobility solutions that contribute to reducing emissions, improving road safety, and enhancing transport efficiency. As an enabler of a resilient, trustworthy and efficient transport system, ITS plays a pivotal role in addressing the key EU priorities of sustainability, digital transformation, and innovation. **The value of ITS** is also recognised by a broad set of policy measures at European and national level, involving all sectors within the ERTICO Partnership comprising public authorities, traffic & transport industry, connectivity industry, vehicle manufacturers and suppliers, users, research. There is a **present and urgent need for Europe to accelerate innovation in the transport, mobility, and logistics sector**. This paper outlines key recommendations to leverage FP10 to scale up research and deployment of smarter and more sustainable transport solutions across the EU.

1. Research and innovation for economic, environmental, and societal impact

A Competitiveness Compass for the EUⁱ, published by the European Commission on 29 January 2025, alongside the Draghi report on EU competitivenessⁱⁱ, supports the premise that Europe and its **R&I activities are at the cornerstone of the technological (r)evolution**. Hence, there is therefore a strong impetus for European R&I to be recognised and be competitive in the global technological arena.

In the face of growing competition, Europe must assert **digital sovereignty**. FP10 can enhance Europe's position by investing in Artificial Intelligence (AI), Automation, Machine Learning (ML), cryptography, cybersecurity, secure 6G cooperative networks, quantum technologies, Extended Reality (XR), digital twins, predictive modelling, Internet of Things (IoT), Advanced Robotics & Human-Machine Integration, Space Technology, Blockchain, and Web3. These investments will secure self-sovereign data ownership and digital inclusion and skills training across the continent.

ITS is at the heart of transport technology and facilitates key elements of the green transition and digitalisation of mobility. Investment in this field yields high economic, environmental and societal returns.

- FP10 should enable the innovation cycle, starting from fundamental research to pilots, moving to collaborative and precompetitive research, and resulting in industrial implementation. This is what ERTICO has supported since its inception by the European Commission in 1991.
- By scaling up FP10 funding, the EU can create millions of high-skilled jobs, enhance competitiveness of **European industries** and attract private investments, multiplying the impact of public funding. This is particularly significant at a time when automation and AI are impacting the workshop, including in the mobility sector.
- The next R&I funding programme should also focus on green innovation that accelerates the transition to a sustainable economy, helping Europe lead in renewable technologies and meet its climate commitments. To meet the **European Green Deal**'s target of net-zero emissions by 2050, significant technological innovation in electromobility, circular economy solutions, and overall decarbonisation of transport is required. FP10 can accelerate these advancements by funding large-scale impactful pilot projects for green technologies, supporting innovation in energy-efficient vehicles and smart grids, and facilitating collaboration between academia, industry, and policymakers via public-private partnerships (PPPs).
- FP10 can open new avenues for addressing **societal challenges** such as aging populations, public health, and social inequality. ITS, as a significant contributor to the transition to sustainable and smart communities, has a transformative role to play here.

2. Streamlining innovation processes

The route from an idea to market deployed ITS product, service and/or system must be improved, and innovation must not be impeded by unnecessary bureaucratic obstacles. Streamlining and simplifying processes by reducing administrative burdens in FP10 is paramount. **Enabling procedural speed and agility** will allow organisations to use their resources more efficiently on the impact-driven R&I activities. Less fragmentation of budgets and topics would enable large projects, driving innovation and standards from Europe for global use. Independent science and evidence-based decision-making – an important means to build trust between science, policy, and society – should support political leaders in taking regulatory actions. There should be a focus on outcomes rather than prescribing methods or technologies to develop the most impactful innovations.

Transparency and access to full information is key. We would therefore welcome an accessible platform for all FP10 projects, covering their details, final results and impacts on competitiveness.

3. Fostering public-private collaboration

To promote competitiveness, FP10 must also consider industrial R&I. Attractive conditions for industry participation alongside the public sector is crucial. ERTICO-ITS Europe recently published the second of its ITS Radar Reports^{iv} focused on three sectors of its Partnership: Public Authorities, Research and Users. **The research highlighted the key role that EU funding programs** like Horizon Europe and the Connecting Europe Facility play in advancing ITS projects. Despite this, many stakeholders face difficulties in securing adequate budget allocations. Strategic investment through FP10 could leverage public-private partnerships, whereby a business-oriented approach would bolster innovation. The ERTICO-ITS Radar Report also touched upon the potential of AI, machine learning and digital twins to enable the analysis of vast amounts of data from various sources, such as traffic patterns, vehicle diagnostics, and road conditions, to improve traffic management, reduce congestion and enhance safety.

4. Building on synergies at national and local level

FP10 must enhance collaboration across national R&I projects and local deployment initiatives. This is crucial for testing, implementing, and scaling up ITS deployment scenarios, through synergies with National Access Points, for instance, and across European borders. The budget for FP10 should be ambitious and ring-fenced.

5. Equity for Member States

FP10 must prioritise inclusiveness, ensuring all Member States and regions benefit from FP10 investments. ITS is making mobility and transport smarter, safer, more efficient and sustainable. A key focus of ITS innovation is seamless (cross-border) movement of people, goods and data in urban and suburban environments. Equitable R&I funding will allow more participation across Europe. Testing ITS Living Labs in diverse regions is crucial for building the trustworthiness and resilience of human-centric systems and services in different scenarios, where interoperability and standardisation are key.

ERTICO–ITS Europe and its 120 ITS stakeholders from both the public and private sectors offer their knowledge and expertise in the field of ITS to the European Commission. The unique public-private partnership of ERTICO–ITS Europe provides an equitable, holistic, and inclusive viewpoint across the R&I domain, making it a valuable companion on the route to a prosperous, competitive, and technologically advanced Europe.

***About ERTICO – ITS Europe:** Founded in 1991, ERTICO is a European public-private partnership organisation, pioneered by the European Commission. With 120 members, connecting eight sectors across the ITS community, ERTICO embodies thought leadership and stakeholder engagement by facilitating, contributing, and promoting innovation through European co-funded partnership projects, innovation platforms, mobility data spaces, and international cooperation advocacy. ERTICO organise the ITS European Congresses and the ITS World Congress in Europe every three-year cycle, attracting thousands of attendees from around the world.*

ⁱ https://commission.europa.eu/document/download/10017eb1-4722-4333-add2-e0ed18105a34_en).

ⁱⁱ https://commission.europa.eu/topics/eu-competitiveness/draghi-report_en)

ⁱⁱⁱ https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal_en

^{iv} <https://erticonetwork.com/ertico-launches-the-second-edition-of-the-its-market-radar-report/>