Institut Jacques Delors

Thinking Europe
Penser l'Europe
Europa denken
Notre Europe

A 5th freedom to enhance research, innovation and education in the Single Market
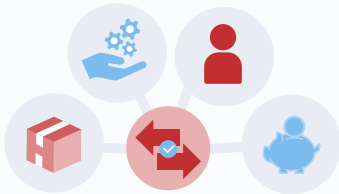
## 1 — Why a fifth freedom in the Single Market?

### The four freedoms are no longer enough

The Single Market is built on the free movement of goods, services, people and capital. While crucial, these freedoms are no longer sufficient to fully unlock the potential of today's economy, which increasingly relies on innovation capacity and the use of intangible assets.

Europe is lagging behind in innovation, especially in cutting-edge technologies
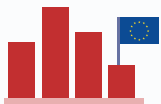
The European Union (EU) excels in research but struggles to turn that excellence into innovation, especially in strategic areas for the future, such as artificial intelligence (AI), quantum technologies and biotechnology.
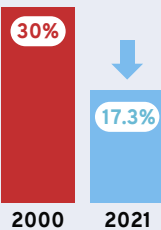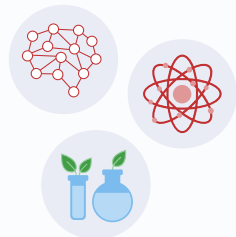
Global patent applications came from the EU

- 30% (2000)
- 17.3% (2021)

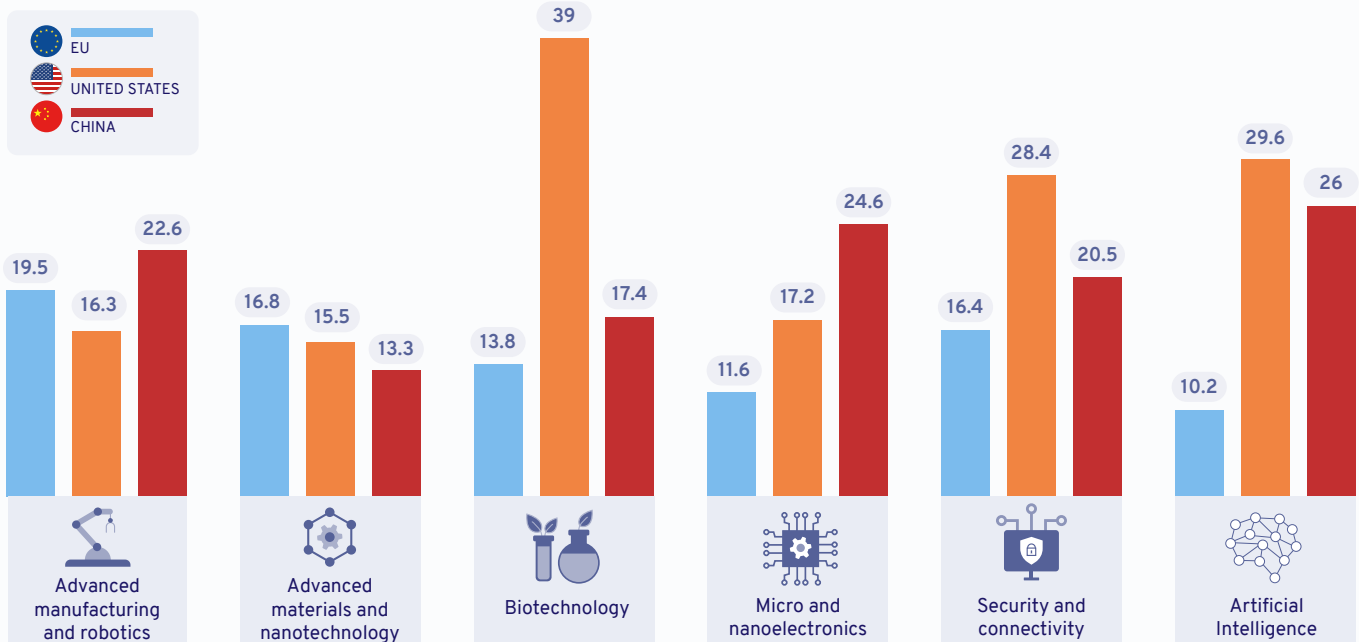**The EU underperforms in several key technologies:**

- AI
- Biotechnology
- Micro- and nano-electronics
- Security and connectivity

Global share (%) of patent applications filed in key technology area, 2021

Legend:
- EU
- UNITED STATES
- CHINA

| Technology area	EU	United States	China
Advanced manufacturing and robotics	19.5	16.3	22.6
Advanced materials and nanotechnology	16.8	15.5	13.3
Biotechnology	13.8	39	17.4
Micro and nanoelectronics	11.6	17.2	24.6
Security and connectivity	16.4	28.4	20.5
Artificial Intelligence	10.2	29.6	26

Underused assets

Europe has the resources – data, skills, start-ups, researchers – but it suffers from a fragmented market and regulatory barriers that still hinder the free flow of talent, data, and knowledge. This prevents companies from leveraging the full scale of the European market to develop and roll out advanced technologies.

A still-incomplete European Research Area

Since 2000

Since 2000, the EU has aimed to establish a "European Research Area (ERA)" to strengthen its scientific and technological base through cross-border cooperation and the promotion of competition across Europe.
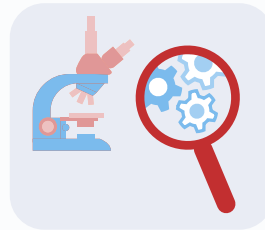
2009

This objective was formally enshrined in the Lisbon Treaty.

The ERA is underpinned by three key pillars:

- Harmonising national research policies and frameworks
- Developing accessible European infrastructures
- Implementing joint policies and initiatives to foster cross-border cooperation in research and innovation (R&I)

Despite substantial advances over the past two decades, particularly in developing European research infrastructures and launching joint research programmes, the European R&I ecosystem remains fragmented and uneven.

90% of public R&I investment in Europe is made by Member States and is mainly focused on national priorities.

R&I cooperation networks rarely extend beyond national or even regional borders.

70% of all jointly owned patents result from collaboration within the same region.

13% involve organisations located in two different countries.

Source: European Commission, Implementation of the European Research Area (ERA), COM(2024) 490 final, 22.10.2024 (https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52024DC0490)

2 — What is this fifth freedom?

A fifth freedom for research, innovation and knowledge

The Single Market today is based on 4 freedom of movement of persons, goods, services and capital.

The Letta report proposes introducing a fifth freedom into Chapter XIX of the Treaty on the Functioning of the EU (TFEU) – focused on:

- Research
- Innovation
- Data
- Skills
- Education

This new dimension of the Single Market was already envisioned by Jacques Delors during his presidency of the European Commission.

Circulation of researchers, knowledge and data

The 5th freedom goes beyond researcher mobility: it aims to place research, data, education and innovation at the heart of the European project, by building a seamless, border-free space for knowledge.
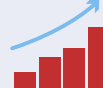
The objectives of the 5th freedom

Boosting European competitiveness based on research and skills

Strengthening the EU's strategic autonomy and technological sovereignty

Making innovation a driver for sustainable growth

Promoting ethical technological progress that serves citizens and respects EU values

Acting as a lever for social progress

3 — How can we make it a reality?

An action plan to implement the fifth freedom

Delivering this new freedom calls for a multi-faceted approach, including:

Measures to complete the European Research Area

Concrete initiatives to boost innovation

Regulatory alignment to enhance data portability and sharing

Actions to strengthen the European education area

A true European Research Area

Adopting a European framework for open science with incentives for researchers to share their results and collaborate.

Creating a *European Knowledge Commons* - a centralised digital platform giving access to public research, open data and educational resources.

Boosting researcher mobility through EU mobility programmes such as the Marie Skłodowska-Curie Actions, thus encouraging knowledge exchange and talent retention in Europe.

Attracting global talent through new targeted initiatives, such as *Choose Europe for Science*, launched in May 2025 with a budget of over €500 million.
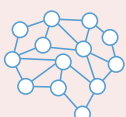
Guaranteeing responsible innovation by integrating the ethical issues linked to AI and data use into all policies in order to guarantee technological progress that serves citizens and upholds the democratic values of the EU.

Supporting the creation and growth of innovative businesses

Supporting the development of big tech companies in key sectors through a European industrial strategy capable of attracting private investment.

Encouraging public-private partnerships in strategic areas, with targeted support for SMEs and start-ups.

Facilitating start-ups' access to private funding, via a dedicated European stock exchange for deep tech, with specific rules and oversight designed to accommodate the inherent risks of start-up financing.

Portability and sharing of data

Recognising **data as a new factor of production.**

Harmonising mechanisms for cross-border data flows, which are emerging as a new factor of production (e.g. standards for interoperability and data protection regulation).

Developing **European data spaces** in key sectors (e.g. health, energy, climate). Pooling data brings significant benefits – insights from large datasets are richer than those from fragmented, smaller ones.

Ex.: European Health Data Space (promotes the portability of personal health data across healthcare providers to create a pan-European health data pool for research and medical innovation)
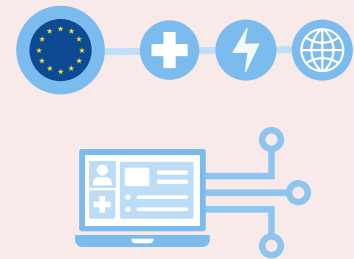
Reinventing European education

Training citizens in digital skills by strengthening European programmes to develop digital skills for all, a crucial issue to ensure that everyone can fully participate in the knowledge society.

Simplifying the recognition of qualifications – currently, only 7 professions benefit from automatic mutual recognition across EU countries. Recognition of qualifications is still too often a difficult and lengthy process that needs to be simplified.

Boosting funding for European University alliances (currently 65) to increase their impact.

Introducing a new European degree certifying joint educational programmes offered by groups of higher education institutions in different EU countries, to enhance transnational learning mobility.

Expanding mobility opportunities to all students in order to democratise exchange programs within the EU. This could mean introducing an "Erasmus for all", making mobility an integral and mandatory part of secondary education in every EU country.