

## **New EU leadership should give industry, digital and infrastructure the coordinated attention they need**

**With a first hand of cards on the EU leadership now dealt, eyes inevitably turn to the work programme of the new team as well. Where will the next College of European Commissioners and the new members of the 9<sup>th</sup> European Parliament put their focus? What will their policy agenda look like, and how will political views and divisions be married and pitched?**



This process is about much more than a competition of words. Trending maxims like 'radical innovation', 'sustainable finance' or 'inclusive globalisation' point to fundamental challenges for Europe: the transformation into a carbon neutral and circular economy, the securing of its competitive strength in an increasingly unpredictable global environment, and the cementing of trust in open societies, in shared values and, yes also in technology, the enabler of solutions per se.

These are tremendous challenges and there is already crucial work for new policy makers as they take up their posts. The answers are by no means simple, and merit thorough analysis and dialogue with many. To give an example that's close to my heart: delivering sustainable mobility – zero emissions, zero fatalities, world-leading solutions – needs the best technologies but, even more so, requires a robust infrastructure for renewable energy and electricity storage, plus a robust infrastructure for connectivity and digital services. In other words: the substantial investments that are required, need to come from different sectors and actors, and must be supported by a multi-layered policy framework that promotes harmonised action.

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## ***"It's interesting to see how European answers to the present challenges are emerging"***

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It's interesting to see how European answers to the present challenges are emerging. For those listening, there is a concert playing with testimonials from both in and outside the mainstream view. Should Europe face facts and recognise we're entering a war of technology rather than one 'just' on trade? There is no doubt, Europe should take care not to replace a dependency on external oil with one on imports of crucial raw materials or essential technologies. Europe is also well advised to maintain high standards for technology-related safety and security, and to request a similar approach of others. This goes beyond trade policy, indeed: if citizens feel confident about security and safety, this should help dampen any backlash against technology spurred by fear for privacy loss or inequality.

The Finnish EU Presidency are keenly aware, focussing the coherent [programme](#) for their 6-month term on sustainable growth, rules-based trade, climate and data security. Europe's competitive edge? Reskilling, upskilling, research and innovation. Human-centric digital solutions and artificial intelligence are the areas where the Finns consider progress necessary and possible, in order to make the 'just transition' (another popular maxim) to a clean planet. And they stress that data flows, if embedded in a proper framework, are to serve as the fuel for both.

Rethinking industrial and trade policy may sound a bit 'yesterday', but is nevertheless trending, too. Beyond the thinking about the meta level, attempts are made to be more concrete. Just have a look at the recent [conclusions](#) of the high-level Industry 2030 Roundtable, this [report](#) of the outgoing Industry Committee of the EP, or the EU Council's [Strategic Agenda 2019 - 2024](#). Recommendations focus on actions more than on structure or ideology, and largely centre on education, innovation, smart specialisation and interregional cooperation.

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## ***"Europe's strength lies in system integration, functional safety and security"***

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The need to focus on innovation as differentiator for sustainable growth is illustrated by other sources, too. The EU Joint Research Centre put an interesting report [online](#) on juggling the

implications of innovative, hence automated, connected, low-carbon and shared mobility. The annual [European Innovation Scoreboard](#) provides a comparative assessment of the relative strengths and weaknesses of the research and innovation systems of EU Member States. The European Commission released a [foresight study](#) on the outlook for one hundred ground-breaking social and technological innovations that deserve further attention. Many concern transport, mobility and energy related innovations.

Further examples were recently demonstrated at the [CLEPA Innovation Awards 2019](#). With submissions from all sectors of the automotive parts and components industry, the awards recognised winners in the four categories of environment, safety, connectivity & automation, and cooperation. Held in the Brussels Museum of Natural Sciences, Darwin's wise words, "it's not the strongest or most intelligent that survive but those most adaptable to change", resonated as loudly as ever this year.

Established to promote innovation and excellence in the digital supply chain, the European joint undertaking ECSEL recently [emphasised](#) Europe's strength in forging 'system integration, functional safety and security'. This observation is true in a wider sense and less abstract than it sounds. It explains, for example, why Europe's industry has patented so many solutions for battery cell management, rather than for the manufacturing of cells. Europe's edge lies in the performance and integrity of the power unit.

Industry is shedding its focus on single high-quality products and components and moving fast to becoming all-round system providers instead. This means diffusing borders between hard- and software, and between products and services. It shows how Europe can maintain its competitive prowess and ensure being future proof. To be successful, co-creation is fundamental and policy makers are instrumental in putting the supportive framework conditions in place. Distributing the new Commission portfolios in Brussels, industry, digital and infrastructure should get the coordinated attention they need.

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