



Presidência da República

Speech by
the President of the Portuguese Republic,
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at the X Symposium COTEC EUROPE

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Allow me to address a warm greeting to the President of Italy, Sergio Mattarella, and to His Majesty the King of Spain, Don Felipe de Bourbon.

I would also like to welcome King Juan Carlos and Commissioner Carlos Moedas, who has brought us the European Commission's plans for its Research, Development and Innovation policies.

The theme for this 10th COTEC Europe Meeting is, once again, reindustrialisation and the new industrial policy.

It is, indeed, a decisive topic for the future of Europe.

The announced digitalisation of the manufacturing industry, dictated by the convergence between information and communication technologies and new materials, production processes, automation and robotics, will deeply change the way in which goods are produced, distributed and consumed in the near future.

Technological innovation is an opportunity, perhaps unique, to strengthen the importance of the manufacturing industry in the structure of the European economy and to, somehow, recover the position lost to other continents.

While this is a unique opportunity for Europe, it is also fundamental that we remain aware that the conditions for European businesses, most particularly SMEs, to benefit from the actual potential of the technological revolution have not yet been ensured.

The discrepancies in industrial infrastructure in the different countries and the state of development of their companies are equally significant, in addition to clear differences in available resources, skills and knowledge.

A further trend that can be observed in manufacturing industry is the growing combination between the production of goods and that of associated services, as a differentiation strategy in a highly competitive market.

Technological innovation has already made it possible today, at an affordable cost, to produce goods tailored to the individual preferences of consumers, which will tend to blur the traditional dividing line between the secondary and tertiary sectors of activity.



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It should be added that the technological revolution, through the digital integration of different production lines, enables robots and human labour to work side by side, in a unique partnership in History, thus creating new opportunities, but also carrying risks that we must not ignore.

Ladies and Gentlemen,

The contribution of the manufacturing sector to Europe's economic growth has fallen short of expectations.

In this context, it is understandable that, in this new cycle in the European Union, the growth of the weight of the manufacturing industry to 20% by 2020 has been established as a political objective, with the strengthening of the soundness and competitiveness of the European industrial base, linked to a coherent policy on energy and climate, being set as a priority.

The priority given by European powers to a new industrial policy is not unprecedented. From the inception of integration, the modernisation of production and the improvement of its quality have been priorities defined in the declarations of the "founding fathers" of the Single Market. These priorities also included - and they should continue to do so - the goals of harmonisation and re-skilling of the labour force in the manufacturing sectors.

However, despite the persistence of the public authorities and the vast amount of rhetoric produced on the need for a new shared strategy on industrial policy, the outcomes have not yet materialised.

The truth is that, without an industrial policy that adopts a far-reaching view and takes into account the potential for technological change and the new reality of integrated production of goods and services, the aspirations for the reindustrialisation of Europe may result in disappointment for many.

In the context of an open, competitive market system, the new industrial policy should support the adjustment of various sectors to structural change, enabling companies to adapt to trends such as digitalisation, globalisation of value chains and convergence between the production of goods and services.

The new industrial policy cannot be a sign of economic nationalism or veiled protectionism. It should rather encourage an environment conducive to closer links between knowledge generators and the productive fabric, as well as the exploration of the industrial potential for scientific and technological research.



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In this respect, the importance of the articulation between the Horizon 2020 programme – the most extensive R&D programme in the world – and the new industrial policy should be emphasised. This is an opportunity that businesses in the manufacturing sectors cannot miss.

Without a clear understanding of the implications of the technological potential, we run the risk of missing the targets for European reindustrialisation.

The deepening of the single market itself, as a driver for industrialisation, also emerges as a mainstay in industrial policy.

Despite the progress made, there are still many barriers in this field that affect business performance, as a result of discrepancies between country regulations, duplication of procedures and difficulties in accessing certain market segments, as the Commission itself acknowledges. The fragmentation of the internal market is still a reality for businesses and, above all, for consumers in Europe.

It is therefore imperative to have a consistent view on how to bring initiatives to fruition to consolidate the single goods and services market and to develop the digital single market.

It is worth stressing that the digital revolution in industry itself sets particular challenges for the development of a new European-wide industrial policy, especially with regard to data management.

A thorough debate should be promoted on the data streams resulting from industrial processes and the regulations that should govern its use.

Ladies and Gentlemen,

Manufacturing industry is one of the mainstays of the European economies. It has been so in the past, and it is on it that the Europe of the future should largely rest.

Without a common industrial policy capable of responding to the challenges of the new economic and technological model, innovation in the manufacturing sectors will be led by Europe's competitors, which benefit from more integrated markets, with a comparable scientific and technological capability.

Without a comprehensive and coherent industrial policy, the return on R&D investment will be unsatisfactory and the challenges of technological modernisation for companies could carry unaffordable risks.



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For reindustrialisation to become a reality of progress and prosperity for Europe and its peoples, the design of a new industrial policy requires the participation of all Member States, businesses from different sectors and sizes, regulators and consumers.

I am convinced that the political, economic and social players in the Union will rise to the challenge for a better future for European citizens.

This 10th Meeting is a landmark in the cooperation between the main business associations promoting innovation in Italy, Spain and Portugal.

It was precisely ten years ago that the three COTEC organisations decided to join forces under the project we call COTEC Europe. They did it to consistently stimulate the innovation capacity of the three countries, sharing experience and knowledge, disseminating good practices and undertaking projects of mutual interest.

In this respect, I cannot but stress the inspiring role of King Juan Carlos as the founder of Cotec Spain, and as a reference for business innovation.

Ladies and Gentlemen

The outcome of this collaboration is very positive. The initial goals remain valid and, perhaps now more than ever, pertinent. These past 10 years leave us a legacy and a special responsibility to continue to raise a strong voice for a shared vision about the specific features of the Southern economies whose societies, it should be recalled, cover more than 54 million workers in 7 million companies.

I am confident that, once more, the ideas discussed during this Meeting will be a valuable contribution to the construction of an Industrial policy that is more suit to Europe's collective interest and the realities of our countries.

Thank you very much.