



European Commission - Speech [Check Against Delivery]



Keynote speech by President von der Leyen at the 'Masters of Digital 2022' event

Brussels, 3 February 2022

Thank you, dear Cecilia Bonefeld-Dahl,
Dear friends of Digitaleurope,
Ladies and Gentlemen,

Since our virtual meeting one year ago at 'Masters of Digital', I have embarked on a journey across our digital Europe.

I met companies in Luxembourg that are building an ultra-secure satellite communication system thanks to quantum technology. I listened to students in Ireland who are using artificial intelligence to improve animal health in farms. I spoke to startupperes in Slovakia who are bringing new technologies to the market – from nano-sensors to RNA sequencing.

Each one of them had an incredible story to tell. Stories of entrepreneurship. Stories of innovation at the frontiers of human knowledge. Stories that you all know very well, because these are your stories too. And all of these encounters have given me so much confidence about Europe's digital future.

One year ago I gave you a promise. I promised we would strive to make the 2020s Europe's Digital Decade. In two ways:

With unprecedented investment.

And with a modern set of rules for Europe's digital sector.

One year on, we are delivering with both funds and legislation. Our recovery plan, NextGenerationEU, is investing in projects just like those I've just mentioned. NextGenerationEU has over 125 billion euros in digital investment. Massive resources that have already started to revitalise and reshape our economy. This is our Marshall Plan for a digital Europe.

And besides investment, we have started to write a new rulebook for Europe's Digital Decade. First, there is the Digital Markets Act and the Digital Services Act. In those two acts, we lay out the basic principles for all digital companies in Europe. We create a level playing field for all businesses and clear rights for all users. Second, with the Artificial Intelligence Act, we have created a "guard-rail" for one of the most crucial technologies of our age. We want companies and programmers to keep advancing and innovating and we are expanding our investment in AI.

But as we do this, we must protect people and their rights with clear rules on the high-risk applications of AI. Let me mention, in this regard, the winner of last year's Future Unicorn Award by DigitalEurope. It's a Hungarian company called Oncompass. They have developed a software to support oncologists in choosing the right therapy for patients. Thanks to artificial intelligence, the software can forecast each patient's response to thousands of targeted therapies against cancer. This is simply amazing. This could be the next scientific revolution. I believe AI must be a force for good, for greater human welfare. The AI Act can truly channel the power of artificial intelligence in the right direction.

In the coming weeks and months we will add more chapters to the new rulebook for our digital economy. Later this month, we will present our Data Act. It gives businesses and individuals more control over the data they produce while using a connected device, and more control over how their data are processed. Later in the year, we will come with our Cyber Resilience Act, which will establish common security standards for all connected devices in Europe.

The digital transition needs clear rules. People need to know that they can trust the technology in their hands. Businesses need predictability to plan their investment. And this is exactly why we have come up with the most ambitious agenda for digital reforms and investment in our Union's history.

Ladies and gentlemen,

Next week we will present a crucial piece of this agenda, Europe's first-ever Chips Act. I would like to

use this opportunity to give you an insight on our forthcoming proposal. Semiconductors have become front-page news in these months, when the global chip shortage has slowed down the global recovery. Factories closed in East Asia and entire production lines here in Europe came to a standstill. We all realised what Europe still lacks when it comes to one of the most crucial assets for the digital transition. Because there is no digital without chips.

But allow me for a moment to reverse our point of view. Instead of focusing on what we do not have, let me focus on Europe's strengths in the field of semiconductors.

Europe is the world's centre for semiconductor research. If today's advanced chips pack tens of billions of transistors in each square centimetre of silicon, that's thanks to European technology. Some of the essential machines to produce the most advanced chips in the world are made in only one place in the world: Right here in Europe.

And we are strong in specific sectors, such as chips for cars and for Industry 4.0. There are crucial niches where Europe is a global leader. But I want us to become a strong player all across the chips value chain. Where others see deficiencies, I see potential. And this makes me confident that the goal we have set for the European Chips Act is ambitious, but achievable.

By 2030, 20% of the world's microchips production should be in Europe. That's twice as much as today, in a market that is set to double in the next decade. So it means quadrupling today's European production. The European Chips Act will back this ambition with considerable investment. It will enable more than 12 billion euros in additional public and private investment by 2030. This will come on top of more than 30 billion euros of public investments already foreseen, backed by NextGenerationEU, Horizon Europe as well as national budgets. These funds will be more than matched by private investments.

To put numbers in perspective, European companies in the semiconductors field are now investing roughly 6 billion euros per year. The European Chips Act can be a game-changer.

Our work will focus in particular on five areas:

First, on research. We will invest in a field where we are already punching above our weight, focusing, for instance, on transistors below 3 nanometres and on disruptive technologies for artificial intelligence. When it comes to research and innovation, Europe can go from strength to strength.

Second, from the lab to the fab. We must translate our excellence in research into industrial innovation. We will invest in chips design and in pilot lines for prototypes – bridging the gap between the laboratory and the actual manufacturing of the most innovative chips.

Third, on production capacity. Europe needs new advanced production facilities. For instance, Europe relies entirely on foreign producers for leading-edge chips. These facilities come with huge up-front costs. Therefore, public support can be necessary to attract private investment. For this reason, we are adapting our state aid rules, under a set of strict conditions. This will allow – for the first time – public support for European "first of a kind" production facilities, which benefit all of Europe.

Fourth, this is not just about mega fabs. The European Chips Act will also support smaller, innovative companies, in accessing advanced skills, industrial partners and equity finance.

And finally, on supply chains. It should be clear that no country – and even no continent – can be entirely self-sufficient. Europe will always work to keep global markets open and connected. In the world's interest and in our own. But we need to tackle the bottlenecks that slow down our growth. A situation where entire industrial sectors rely on one or two producers in East Asia is simply not sustainable. Certainly not in today's world. To change this, we will work on semiconductor partnerships with like-minded partners, from the US to Japan. We can create more balanced interdependencies, avoid single points of failure and build supply chains that we can truly trust.

Ladies and Gentlemen,
Dear friends,

Last fall I visited ASML in Eindhoven, one of our European champions for semiconductors. Machines designed and built here are crucial to produce chips in all corners of the world, from Singapore to the US. And it's not our only champion. Infineon, NXP, STMicroelectronics – just to name a few. Europe is also becoming more attractive for foreign giants like Intel. And Europe keeps leading the world on innovation. Our research centres, for instance IMEC in Belgium, are spearheading the efforts to create a new generation of energy-efficient and climate-friendly chips. This is why I believe we can achieve the goals we have set with the European Chips Act and Europe's Digital Decade.

We are putting out the investments and the strategy. But the key to our success lies in Europe's innovators, world-class researchers – in the people who have made our continent prosper through the decades. Europe is the continent where all the industrial revolutions have started. And Europe

can be the home of the next industrial revolution too. Let's join forces to make it happen.

Ladies and Gentlemen,
Dear friends,

Last but not least, through the 'Master of Digital' awards, you honour people and companies who help drive Europe's digital transformation. I am truly honoured to be among the winners of this year's awards.

I take it as a recognition of the Commission's engagement to deliver the Digital Decade.

And congratulations to the other winners of the 'Master of Digital' awards!

Thank you very much for your attention.

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