

### Internal Market, Industry, Entrepreneurship and SMEs DG

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#### **SPEECH**

# 9<sup>th</sup> National Maritime Conference

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#### Speech

Excellences, distinguished participants, ladies and gentlemen,

It's been said that one of the tragedies of our time is that our best minds are thinking of ways to make people click on ads.

Not so in this group. The people in this room are devoting their lives to nobler causes, like protecting our ocean resources; improving the state of our environment; and creating wealth and jobs in the process.

That is truly admirable, and that is why I feel doubly honoured to be here with you today.

Even beyond this room, this country knows better than most that, with the prospect of an ever growing population, the maritime economy holds a key to the future.

- Your marine research and innovation potential is virtually peerless and you have one of the most progressive approaches to renewable energies at sea.
- The Master Plan on Maritime technologies devised not so far from here, in Schleswig Holstein, and then picked up nationally, is a model of focused, far-sighted thinking.
- You developed alternative propulsion systems, water treatment systems, renewable energy systems, that are successful worldwide.

All this makes me dare say that Germany is among the very few who have the capability to develop oceans' use in a sustainable way - and in a context of increased ocean use this is paramount.

However we also need to ensure worldwide support for our technologies and products, and this cannot be done by any one country in isolation.

Tomorrow Commissioner Vella will explain that Europe has something to offer in this department, including research and investments funds that can really go a long way to make new technologies pick up pace.

I can already add to his take that all over Europe we have a very dense network of equipment suppliers, research centres and providers of advanced technologies and engineering.

Thanks to this network, we have a highly diversified blue economy, with considerable spin-offs into other sectors, and hold a strong competitive position in advanced technologies.

With a market share of around 35% and an annual turnover of around 60 billion euros, Europe is a major world player generally and an uncontested leader for certain products and services, for instance the construction of green energy vessels, of ferries and cruise ships and of specialised ships of all types.

I won't steal Commissioner Vella's thunder in presenting the rather formidable figures of the European maritime economy on the whole. But I will say that, indeed, it is an industry that works well; that shows resilience to the blows of a particularly pernicious recession; and that gives work to many and leisure to many more.

The cruise industry for instance kept employing new people even in the worst years of the crisis and reached 340 000 operators in 2013.

In the same year the shipping industry employed 2.2 million people; and for every single euro it contributed to our GDP, it created another 1.6 euros elsewhere in the EU economy.

But the maritime industry is also one that operates in a globalised market, with competition getting harsher every year – and we'd better be a step ahead all the time.

To stay with the particular example of the shipping industry, the next few years will be crucial.

Not only are we likely to see an increase of international trade and considerable changes in freights and flows, with newcomers probably adding to the competition; but we might also reasonably expect a rapid change towards autonomous and green ships and the automation of port services.

Even for a country like Germany, world leader in specialised shipbuilding and marine equipment, maintaining one's own share of the market could be a challenge in this new landscape. And that is where the added value of the EU and the European funds comes in.

The maritime sector can profit from both Horizon 2020, the EU's 80-billion euro program to finance innovation and research, and the new Investment Plan for Europe, which is due to mobilise 315 billion between now and 2017.

And let us not forget the structural and investment funds, which also aim at developing the blue economy and are there for regional and national governments to use.

All these opportunities are up for grabs, but again no one actor can operate in a void: in today's interconnected world, we will need to involve shipping operators, banks, researchers, all the adjacent industries and obviously authorities and regulators. We will have to create alliances with other world partners.

On top of the well-known difficulties of our industry - the high production costs, the fragmented government responses and the difficult access to skilled labour and finance - we will have to tackle new market challenges, from eco-innovative ship repair to new shipping services, from sophisticated global services to a state-of-the-art port infrastructure.

So my message to you is that we all need to pull at the same ropes for our industry to remain a success story - with no distortion of a fair competition of course.

In Brussels we are working hard to make sure that the funding tools I mentioned are compatible with competition rules, and that includes also the Framework Programme for Research, Technological Development and Innovation, the Shipbuilding Framework, the Joint Technology Initiatives, and the Risk-Sharing Finance Facilities.

Importantly, we are also working a highly ambitious maritime program, embracing international oceans governance, ocean energy, fisheries, transport, tourism and much more.

We are striving to boost the most promising sectors of the blue economy; we are promoting a cluster approach to innovation and we are cutting red tape and making access to finance easier for SMEs. We are rationalising maritime space as well as our approach to maritime security.

We are improving our marine knowledge.

We have launched a series of studies on how to improve competitiveness and promote green growth, plus a variety of initiatives such as the LeaderSHIP 2020 project.

But, Ladies and Gentlemen,

We are here to share views on the challenges and find coordinated answers and common solutions. So the Commission remains open to ideas and suggestions.

In fact, the times to be reactive and only travel well-known roads are over. These are testing times that require new thinking.

We need a new maritime knowledge culture, on that opens up new perspectives and secures public acceptance.

Germany has a good record of reaching out through the media and engaging with schools or the educational system in general... and some of you here today may be the makers of such success stories. Again, thank you.

The way I see it, the institutional challenge today is precisely this: doing the right thing and explaining it to people convincingly.

With its stance on migration, Germany has shown the world recently it can be a true innovator.

Because there can be no strong economy without solidarity.

I hope the outcome of this conference will also bring us a step closer to a sound and balanced maritime policy.

Because there can be no strong economy without a strong blue economy.

Thank you for your attention.