
**PLENARY SESSION IV:
INNOVATION AT THE CENTRE OF THE INTEGRATED
MARITIME POLICY
SPEECH OF CORRADO ANTONINI**

Ladies and Gentlemen,

It is a great privilege for me to address you during this Plenary Session as the representative of the industry. This privilege is all the more appreciated when considering the title of the session. Based on Schumpeter (1934), the literature on innovation mostly distinguishes between invention, an idea made manifest, and innovation, ideas applied successfully in practice. This explains why typically the industry takes the centre stage on the topic of innovation.

In my intervention, I will also reflect the position of the Maritime Industries Forum, which held its plenary meeting yesterday. As one of its off-springs, the Maritime Industries Forum includes also the key platform, namely the WATERBORNE Technology Platform, for the industry to exchange views and provide input to the elaboration of the European Research Framework Programmes.

One of the tasks of DG Mare related to innovation could be to make the public more aware of the innovative power of the maritime industries. As an example, only very few people are aware of the high frequency with which European shipyards come up with new prototype ships. According to an analysis we did a few years ago, 25% of the European orderbook is made up of prototypes and another 25% of significantly modified repeats. European yards delivered more than 300 ships last year.

“Innovation” has been one of the buzz-words of European policies. It has almost become a mantra and sometimes it appears as the ultimate answer to all our problems. I agree to the view that we have no alternative to innovation – “innovate or vanish” as the prominent slogan says. At the same time, I would like to warn of a too simplistic approach. Innovation is not the answer to all challenges. Companies also need to comply with rules, need to train and motivate people, need to get financing in place, need to convince the customers to buy, etc..

I would, therefore, like to discuss the Integrated Maritime Policy with a slightly wider perspective. What are the core objectives of the EU and how can maritime affairs contribute? I would say there are two focal points: the environment and growth & employment. Let me state very clear that for me these two goals do not stand in conflict to each other. On the contrary! Environmental objectives can stimulate growth & employment, provided the right framework conditions are established.

A number of pollution concerns are linked to industrial maritime operations. It is clear that the request to simply stop such activities is rarely a feasible answer. Instead, the answer most likely comes from the use of more appropriate technologies. Many companies, in particular in Europe, not only fully accept the responsibility they have in this respect but are convinced that they are part of the solution, rather than the

problem. Because the supply as well as the use of better technologies which increase efficiency, save costs and open new markets.

I am convinced that maritime affairs can deliver major contributions to Europe's overall goals as outlined in the new Europe 2020 strategy. Waterborne transport consumes less energy than any other mode of transport and has a lot potential for further growth. Particularly with regard to short-sea-shipping and inland navigation, waterborne transport can help to reduce congestion and is a key element for an efficient and sustainable transport concept. More energy efficient hull forms and propulsion concepts and alternative forms of power generation based on much cleaner fuels will revolutionise waterborne transport over the coming decade and will enable even zero emission solutions. With off-shore wind energy, Europe is on track to build the largest source of renewable energy based on proven technologies. In the future, off-shore wind parks could be combined with ocean energy plants harvesting the much denser power of waves, currents, etc. New business opportunities will also arise from trading and exploiting natural resources in arctic waters. Off-shore mining could play an essential role in securing some of Europe's raw material needs. Maritime tourism, particularly cruising and yachting, has seen strong growth over the past ten years and have continued on their path also during the crisis. Europe's maritime manufacturing industry, shipyards, maritime systems and equipment makers, research and education institutes and many others, provide the most advanced hardware, which is a precondition for any of these growth opportunities. In order to ensure Europe's maritime capabilities and competences to flourish, sound competitive conditions must prevail.

We have the innovative power in Europe to do all this. However, this is no guarantee for success. The competitive pressure from other parts of the world is strongly felt throughout the maritime industries and the crisis has accelerated these processes. Europe has lost over the years significant markets shares in shipbuilding, but was able to concentrate mainly in high tech niches, where we still are market leaders. The risk is now to lose capabilities, if we can no longer secure the critical mass. Other countries have to deal with similar challenges but seem to be much quicker in implementing counter action – not only in the maritime sphere. Europe must learn to be more pragmatic and, above all, more united!

Intellectual property is a major issue. Innovating advanced solutions is costly and risky. The pioneer must have some safeguard that his investment and courage will pay off.

Policy makers have the means to set the right signals. As CESA, we are promoting the implementation of an eco-bonus for ships that go beyond the relevant standards. Such an instrument can help us to bridge the acute lack of demand, and establish reference projects for future markets. It gives the right incentive to the pioneer to go ahead with new concepts. It brings down effectively pollution levels, which have become a major concern regionally. The respective instruments could be implemented based on existing Community rules.

Thanks to strong support for Europe's shipbuilding Regions, the Council of Ministers will discuss these proposals next week. I would, therefore, like to use this opportunity

to call for strong political support. Within 3 years, Europe could see a 30%-plus reduction of emissions for 300 aged and polluting ships. Let's go for it!