

Speech of Petru Luhan, Member of the European Parliament (EPP) at the

*"World Emerging Industries Summit 2010"*

Chang Chun, 21 August - 3 September 2010

**Focusing on emerging industries and green economy**

Dear Vice-Premier-Minister,

Dear participants,

I am honoured to be here with you, in China, at this top level conference and I appreciate that the topic of this summit is very important to propose directions for the recovery of the world economy and to stimulate a new round of prosperity around the Globe.

History teaches us that crisis periods can result in salutary reforms. The international financial and economic crisis, combined with the volatility of energy prices, threaten to put to risk our economic well being. Even in the European Union the crisis has made growth and jobs a higher priority than before.

In our future strategy, which is called "EU 2020 Strategy", one of the key drivers is "**Creating value by basing growth on knowledge**". Opportunity will be enhanced in a world where **innovation makes the difference** in both products and processes, exploiting the potential of education, research and of the digital economy.

A more efficient use of resources, including energy, together with the application of emerging, greener technologies **will stimulate growth, create new jobs and services** and help us both to maintain a strong manufacturing base and a vibrant services sector as well as to meet its environmental and climate goals.

The development of the emerging industries is not only about the creation of new industries. It is just as important to accelerate the modernisation of world's existing industrial sectors, many of which will already be restructuring in the wake of the crisis.

It is crucial to invest in high-speed networks. Together with this, the development of smart, upgraded transport and energy infrastructures can contribute to multiple objectives including: decarbonisation, transport safety, energy security and the competitiveness of the economy.

We want to develop **an integrated European industrial policy** that promotes competitive market mechanisms and develops new sources of sustainable growth with an emphasis on innovation capacity, eco-innovation, emerging technologies and skills.

I know that the European Union is not alone in recognising the opportunities of a smart and green economy for enhanced competitiveness and prosperity. Like other countries we have identified similar priorities and we are investing massively in green technologies, ICT, biomedicine, new energy and materials, electric vehicle sector and smart networks.

The European Parliament and all the other European institutions have been active in recent years in putting in place a policy strategy for the green economy which sets out a framework for the actions of individual European Member States.

Governments, trade unions, employers and other stakeholders are largely in agreement that the green economy has the potential to create a significant number of jobs in the future, but one of the main challenges is how to take advantage of the potential of this area and to use it to revitalise economies that are suffering from the recent economic crisis.

I support **well-tailored, green components of a recovery effort**, because they can **stimulate the economy** and **create jobs** while achieving significant energy-cost savings for businesses, consumers, and the government.

I can give you an example regarding the expansion and the promotion of the renewable energies and energy efficiency sector which has an enormous potential. The Greenpeace and European Renewable Energy Council (EREC) in the report entitled '*Working for the climate: renewable energy and the green job revolution*' estimates the global job potential of the renewable energy and energy efficiency sector at over 8 million.

Experiences in some European Member States, like Germany and others confirm these forecasts and clearly show that strong expansion of the renewable energy sector has a direct effect on jobs. In Germany, 250 000 new jobs were created on the basis of the Renewable Energy Act. Germany thus has a pioneering role by international comparison. Including indirect effects on employment, the Act has ensured regular job increases since it entered into force in 2000. Forecasts reckon that there will be 400 000 more employees by 2020.

It is true that the recession has given less priority to green topics in some countries, while others have used their recovery packages to promote the transition to a low carbon economy.

As a Member of the European Parliament, I consider that it is essential to **ensure proper frameworks for research and development** with a **suitable** and **sufficient budget** in order to support public and private research and make its results available in an **accessible** and **non-bureaucratic form** with a view to innovation by micro-businesses and SMEs.

The targeted areas are:

- energy efficiency,
- energy infrastructure,
- use of new and renewable energy sources and low-carbon production, processes,
- recycling and
- efficient use of resources.

In the European Union our goal is to achieve the 3% budget target for investment in R&D (research and development), ensuring that research creates added value in the economy and helps to achieve objectives linked to intelligent, sustainable and integrative growth.

In order to consolidate knowledge and innovation as motors of future economic growth, I recommend

- **to focus on the quality of the education,**
- **promote innovation** and the **transfer of knowledge world-wide,**
- **exploit ITCs** (Information and communication technologies) to the maximum,
- ensure that innovative ideas are reflected in **new products** and **services** that generate growth and quality jobs and
- contribute to meeting the challenges of social changes in the world.

**The countries that take the opportunities in the crisis will first recover and ride the wave of fresh growth.**

Thank you very much for your attention.

Petru Luhan  
Member of the European Parliament