



Welcome Speech at the

**Smart World! Smart Europe? Conference  
on European Digital Sovereignty, held by  
the German-French Academy for the  
Industry of the Future**

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Welcome to our first Conference on European Digital Sovereignty.

And as we are convinced that such sovereignty can only be achieved through a multi-stakeholder approach, our participants come from all sectors: Academia, Industries & Startups, Governance, Media and Society.

My special welcome goes to:

Odile Gauthier, President of IMT: Institut Mines-Télécom ("MIN-Telekom"), leading French research & training center in information & communication technol.

Florian Herrmann, State Minister and Head of the Bavarian State Chancellery

Anne-Marie Descôtes, Ambassador of France to Germany

Prof. Reimund Neugebauer, President of the Fraunhofer Gesellschaft.

This conference organized by the German-French Academy for the Industry of the Future. This has been established in 2016 by the Technical University of Munich and IMT to intensify the Franco-German Cooperation between research institutions and industrial companies in key areas such as, AI and cyber-physical systems, secure intermachine communication and hybrid blockchain architectures in Industry 4.0, and additive manufacturing.

The world entered into an age of disruption:

Technological breakthrough innovations are changing entire supply chains and value networks – with digital technologies that have innervated our everyday life and induced transformational developments of society: at home, at work, in communication, education, mobility, industry, and healthcare.

These changes have been catalyzed through agile start-ups quickly transforming sparkling ideas into globally scalable business models. And they challenge established companies to a modern showdown between David and Goliath!

And this is happening while we see a Change in Globalization: from the added value of world free trade to a protectionist isolation of countries, the war in Ukraine, and a new Chinese era.

And at the same time, Europe has to cope with declining acceptance of new technology among people and an increasing sense for data privacy and sustainability.

This complex situation presents unprecedented challenges, but also enormous opportunities to those who are capable to act and adapt to those challenges.

Success in the 21<sup>st</sup> century requires Europe to develop a new technological self-confidence and a true commitment to technological sovereignty.

Yes, the pandemic has exposed our fateful dependency in the digital world. However, the Covid-19 pandemic is certainly not the cause of this upheaval, but has been a fire accelerator and a wake-up call for all of us.

Data infrastructures and digital platforms at work, in schools or even at home - our "central nervous system" is controlled by countries outside Europe. And this despite its central importance for our social life, political decision-making, individual freedom and privacy as well as economic competitiveness.

Yes, the European Union and its members have recognized the potential for data and AI to drive economic, business and societal prosperity. However, the national AI strategies in Europe are too fragmented and do not enable a synergistic empowerment of our innovation impact.

With its human-centered approach, Europe has become a defining "norm setting power" in the field of AI and data science, especially in making the protection of data privacy and human rights the "North Star" of its partnerships, governance, and technology commercialization.

This has become a primary strength of the EU. So the General Data Protection Regulation for example, has become a global standard for the preservation of data privacy and a key check on the hegemonic power of the large digital service platforms.

However, Europe's normative strength also drives many of our own key weaknesses to develop digital innovation ecosystems.

This has also curbed the collection of massive data lakes that drive the development and training of AI systems and innovations.

Data is Europe's Achilles heel! While not oil, it is the fuel for the emerging AI age.

Europe shows a high degree of automation of its strong industrial base and a great pool of industrial data.

However, possibilities of industrial data sharing have hindered by concerns about trade secrets and governance requirements.

Europe needs to carefully consider ways to re-calibrate their approach. We need to foster an environment that takes into account European values and at the same time enables large and high-quality data pools allowing their companies and research institutions to compete more effectively with the United States and China.

And to add new value to the industrial sector, we need to improve our supercomputing power capabilities, decrease strong dependencies on foreign semiconductor industries, and to control the entire digital production chain – from specialized hardware and microchips and the generation and preparation of data, to algorithms, software, sensors and actuators.

And we have to advance the efforts across European institutions to produce, develop and retain world-class talent and research in AI-related fields. Still Europe has not yet reached the scale or influence of US and Chinese institutions – and much of the talent developed has migrated to those countries.

State of Bavaria just has been investing 3.5 Bn Euros with the HighTech Agenda Bavaria to ramp up its brain power and tech capabilities, and to innovation pipelines between academia and industry: 1000 new profs, 150 in AI.

But to create impact in world-class digital innovation at scale, we need to adopt a new culture of innovative risk-taking, we need to advance technology transfer, venture investment and startup growth. This is still lagging far behind that of global AI leaders.

And we have to connect the dots across the institutions in Europe and beyond. Only jointly, Europe will be able to build an open, federated, secure and trusted digital data infrastructure based on European values.

Whether GAIA-X may provide the basis for a digital ecosystem or not. This needs to be done by establishing binding standards for European and non-European providers. However, we need to avoid lock-in effects with regard to individual technologies – through open standards, inter-operability, portability and commodification. And through access to the widest range of flourishing suppliers of technology's next generation.

Europe can only make it through a multi-stakeholder approach. And that's why I am happy that we came together with such broad range of perspectives and competences.

This Conference allows us to exchange thoughts and experiences, calibrate our own's knowledge across academia, industry, politics and society. Then, I am confident that we are looking forward into an exciting future. Thank you!