

# Europe must build on its strengths, encourage digital investment

## **Press contact**

### **Jakub Hera- Adamowicz**

+32 499 641 839

[jakub.hera.adamowicz@huawei.com](mailto:jakub.hera.adamowicz@huawei.com)

### **Philip Herd**

+32 491 165 509

[Philipherd@huawei.com](mailto:Philipherd@huawei.com)

This was the message for European policymakers delivered by Ken Hu, Rotating Chairman of Huawei, in a speech today at the European Business Summit in Brussels.

In his speech at the closing plenary session, Mr. Hu observed that Europe has a strong industrial base, excellent basic research capabilities, and a forward-looking digital vision – elements that pave the way for the region to take the lead in digital transformation. According to studies by PwC and Boston Consulting Group, by digitizing products and services in manufacturing, Europe will create more than €110 billion euros in extra annual revenue over the five years starting from 2015.

Mr. Hu said Europe's adoption of digital technology has fueled growth and raised living standards. But he reminded the audience that the rest of the world is accelerating as well. "Huawei has been in Europe for 18 years, and as a committed partner in Europe's digital ecosystem, we believe more can be done to secure Europe's leadership position," he said.

From a technology perspective, 5G, optical fiber, cloud, and the Internet of Things

(IoT) are key to Europe's long-term digital objectives. But some European telecom operators still need to be convinced to make the necessary investments in digital infrastructure. Mr. Hu urged joint efforts to build greater market certainty.

“Companies like Huawei are using technology to help carriers maximize the returns on their existing investments in digital infrastructure,” he said. “At the same time, European governments need to help telecom carriers address new investment challenges. Using the tools we have available, including policy and regulation, we need to build a pro-investment environment.”

Mr. Hu advised Europe to act quickly in harmonizing and releasing more 5G spectrum. Carriers also need support in rolling out more fiber, both financially and with respect to policy. For example, greater infrastructure-sharing, where power lines and optical fiber are installed together, will help operators cut costs and speed up deployment.

Europe must also find ways to stimulate demand for digital technology. Companies like Schindler, DHL, and Vodafone have adopted digital technologies such as IoT and cloud to expand their business scope and enhance their digital competitiveness. Governments, meanwhile, can help generate demand by promoting cross-sector and cross-border development of new industry applications. The aim is to get more companies and scientists to put their best minds together.

Huawei has operated in Europe for 18 years and employs more than 11,000 employees. As a key participant in the European digital agenda, Huawei works with every major operator and serves more than 1,000 enterprise clients on the continent.

“We will continue to actively participate in the construction of digital infrastructure, assist the digital transformation of operators and industries, develop a digital ecology, and collaborate with universities and research institutions to jointly assist the digital transformation of Europe,” Mr. Hu concluded.