

the Lisbon Council

think tank for the 21st century

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'It's time for us to take our future in our own hands and have a big fund of funds. Today I would like to present to you two major initiatives to mobilise investment in disruptive innovation. These initiatives respond directly to recommendations in the *European Digital Forum* report that Paul Hofheinz and Sergey Filippov have written.'

Carlos Moedas, European commissioner for research, science and innovation, delivers *The 2016 Guglielmo Marconi Lecture* at *The 2016 European Digital Forum*

Riding the 'Funding Escalator': From Startup to Scale Up

Europe has no shortage of good ideas. The question is, how do we take those good ideas, and help them develop and grow to scale? The Lisbon Council convened **The 2016 European Digital Forum** around the theme of "mobilising capital for disruptive innovation." Top venture capitalists, entrepreneurs, startups and investment-sector thought leaders joined an eclectic group of policymakers and think tankers



Alexander Rittweger



Matthias Ummenhofer



Marie Ekeland

to discuss ways of repairing the broken "funding escalator" and improving access to capital in Europe. Carlos Moedas, European commissioner for research, science and innovation, presented his new ideas on deepening European venture capital and led a fascinating breakout session on disruptive innovation. Klaas de Boer, managing partner of Entrepreneurs Fund; Michael Collins, chief executive of Invest Europe (the European private capital association); Marie Ekeland, co-founder of Daphni (a €150 million early seed fund); Eric Forest, chairman and CEO of EnterNext; Ulrich Grabenwarter, deputy director equity investments at the European Investment Fund; Alberto Onetti, president of Mind the Bridge and director of the Startup Europe Partnership; Alexander Rittweger, founder of Payback (a company sold to American Express in one of Europe's most successful "exits"); Matthias Ummenhofer, managing director of Mojo Capital; and Francisco Velázquez de Cuéllar, managing partner of Axon



Ulrich Grabenwarter

Partners Group, shared their experiences and proposed solutions for improving the ecosystem. The high-level discussion, which opened Invest Week, a series of events highlighting Europe's investment potential, was intellectually informed by **From Startup to Scale Up: Growing Europe's Digital Economy**, a European Digital Forum Digital Insight publication. Jointly managed by the Lisbon Council, Nesta, Open Evidence and the European Commission's Startup Europe initiative, the European Digital Forum is a cutting-edge platform informing high-level debate on Europe's technology future. Download [From Startup to Scale Up: Growing Europe's Digital Economy](#).

Watch [The 2016 Guglielmo Marconi Lecture](#). Read [The 2016 Guglielmo Marconi Lecture](#). Visit www.europeandigitalforum.eu.



'Financial crises and deep recessions have been frequent. Extreme negative growth events not uncommon. But booms are common, too.'

Catherine L. Mann, chief economist of the OECD, at *The 2016 Euro Summit*

Overcoming Populism, Avoiding Stagnation: The 2016 Euro Summit

Top economists and leading European regulators convened in Brussels for **The 2016 Euro Summit**. Holger Schmieding, chief economist of Berenberg, presented **The 2016 Euro Plus Monitor**, the latest edition of the much-awaited competitiveness ranking produced by Berenberg and the Lisbon Council. Catherine L. Mann, chief economist at the Organisation for Economic Co-operation and Development, led a high-level OECD delegation to the summit, and launched a fascinating new study on the



Marco Buti



Catherine L. Mann



Holger Schmieding

lessons of economic crisis-fighting and economic resilience in the post-war period. Marco Buti, director-general for economic and financial affairs at the European Commission, led a breakout session on the outlook for the eurozone. John Peet, political editor of *The Economist*, served as discussant. Download [The 2016 Euro Plus Monitor](#). Watch [Catherine L. Mann Discuss Strengthening Economic Resilience on Lisbon Council TV](#). Visit <https://www.oecd.org/economy/growth/economic-resilience.htm> for more.

Scale Up Europe! A Manifesto for Change and Empowerment in the Digital Age



European Commissioner Günther Oettinger stood on stage at CeBIT and asked the **European Digital Forum**: "Tell me what I need to do to help startups to scale up in Europe and together we will do it." And that's exactly what we did. Leading a wide-ranging stakeholder consultation with advanced crowdsourcing tools, we solicited, analysed, synthesized and debated the suggestions and experiences of several dozen European entrepreneurs and startup associations to produce **Scale Up Europe: A Manifesto for Change and Empowerment in the Digital Age**. To date, more than 200 leading entrepreneurs and heads of startup associations have signed the manifesto, and the European Commission has vowed action in response to the Manifesto's 49 recommendations and detailed roadmap. The study was launched at the Digital Assembly in Bratislava in the presence of Commissioner Oettinger; Sebastian Siemiatkowski, co-founder of Klarna; Markku Markkula, president of the European Committee of the Regions, and other digital-era illuminati.

Join now, if you haven't already. Sign [Scale Up Europe: A Manifesto for Change and Empowerment in the Digital Age](#). Visit <http://www.scaleupeuropemanoifesto.eu>. Follow [@Scale_Up_Europe](#) on Twitter.

Artificial Intelligence and Machine Learning: High-Level Roundtable

The Lisbon Council hosted a high-level working lunch on the future of artificial intelligence. Greg Corrado, senior scientist and leader of Google's cutting-edge artificial intelligence research programme, kicked off with an overview of emerging possibilities and future challenge. Vladimír Šucha, director-general of the Joint Research Centre at the European Commission; António Vicente, head of cabinet of Carlos Moedas, European commissioner for research, science and innovation; and Thibaut Kleiner,



Greg Corrado

deputy head of cabinet for Günther Oettinger, European commissioner for digital economy and society, led an all-star cast for a freewheeling, 90-minute discussion. The dialogue was intellectually informed by a key issues paper presented by Paul Hofheinz, president of the Lisbon Council. The roundtable was hosted by **Industries of the Future**, a unique collaboration between the Lisbon Council, Google and FTI Consulting. Download [Artificial Intelligence and Machine Learning: Opportunity and Challenge](#).



António Vicente



Vladimír Šucha

Publications and Research

The Lisbon Council published 10 publications in 2016, ranging from the innovative *Scale Up Europe* project to two well-regarded editions of the academically rated *Euro Plus Monitor*. Here are some links from the Autumn 2016 season.

The 2016 Euro Plus Monitor: Coping with the Backlash

Economic growth is close to its trend rate of 1.5% in the eurozone and unemployment is falling noticeably. The recovery is broad-based and entrenched. However, political populism poses a grave threat. These are the main findings of **The 2016 Euro Plus Monitor: Coping with the Backlash**, the bi-annual competitiveness ranking produced by the Lisbon Council and Berenberg. This year, the study is expanded and updated to cover all 28 European Union member states and includes special chapters on Brexit and the economic risks of populism. Read [The 2016 Euro Plus Monitor](#).



How Digital Identity Will Open Markets, Drive Innovation and Deliver Growth

In this **Digital Insight**, Sergey Filippov argues that Europe's Regulation on Electronic Identification and Trust Services for Electronic Transactions in the Internal Market, or eIDAS, is much more than an obscure technical innovation; used wisely, it could be a powerful catalyst for the creation of pan-European public services and the deepening of cross-border e-commerce. Filippov argues for quicker adoption of the ground-breaking regulation at the member-state level, calling the regulation a unique opportunity that could dramatically strengthen Europe's digital infrastructure at a time when strengthening is badly needed. The paper was launched in the presence of European Commission Vice-President Andrus Ansip at a high-level conference. Read [Strengthening Digital Identity](#).



Artificial Intelligence and Machine Learning: Challenge and Opportunity

President Paul Hofheinz argues that “artificial intelligence is both more and less than it is cracked up to be.” Hofheinz maintains that “the singularity [under which machines will eventually overtake human intelligence, forming the next phase of evolution] may not be so near,” and sets out three key concerns for future European policymakers in this area: 1) the key role of AI in productivity growth; 2) AI's need for data and an enabling data framework; and 3) the leadership Europe could enjoy in this area, given its traditional strength at the intersection of advanced engineering and manufacturing (*Industrie 4.0*). The paper was presented at an **Industries of the Future** roundtable. Read [Artificial Intelligence and Machine Learning: Challenge and Opportunity](#).



App Economy: Europe's Next Frontier

The Lisbon Council doesn't just produce research; we also serve as an important hub for discussion of the latest and most advanced thinking on the key issues of our times. In that context, Christopher Yoo, director of the Centre for Technology, Innovation and Competition at the University of Pennsylvania Law School, presented *Open Source, Modular Platforms and the Challenge of Fragmentation*, his new paper on the relative merits of the two paradigms that have jointly transformed the software industry: open source and modular platforms. Prof Yoo argues that regulators must tread carefully here; efforts to regulate one or the other too aggressively can harm consumers and slow down innovation. Read [Open Source, Modular Platforms and the Challenge of Fragmentation](#).

Digital News and Innovation

How do we finance and distribute good, quality journalism, using the tools of technology to disseminate better journalism? How do we ensure innovation stays at the cutting-edge, using the new technology to ensure a better user experience and a stronger journalism sector underpinning our democracy? These were the questions posed by **Digital News and Innovation: The Next Frontier**, a discussion paper produced for a high-level **Industries of the Future** roundtable. The paper looks at the changing economics of news gathering. It argues that the news sector benefits most when it embraces innovation and seeks to develop new business models around it. Read [Digital News and Innovation](#).



'The European Commission should set "moon-shot" standards that push us to higher achievements than we once thought possible. If Europe can double its energy efficiency by 2030, Europeans will look back and wonder how we ever lived differently.'

Paul Hofheinz, president and co-founder of the Lisbon Council, in "Why Europe Needs to Double Its Energy Efficiency Commitments" in *Project Syndicate*

News and Outreach



Paul Hofheinz and Justin Trudeau

Brexit, Trump, and the rise of populism. You could be forgiven for a tinge of pessimism in these challenging times. Against that backdrop, Lisbon Council principals kept up a busy agenda of outreach and public speaking, seeking to use the organisation's unique platform to build better awareness of the challenges we face – and the sensible, wise solutions at our disposal. Paul Hofheinz, president and co-founder of the Lisbon Council, joined the *Global Progress 2016* summit in Montreal, Canada, where he spoke on "workers of the future" and met Prime Minister Justin Trudeau. He also keynoted the *TCI Network* summit in Brainport Eindhoven, and contributed two widely-read op-eds to leading media: "[Why Europe Should Double Its Energy Efficiency Commitments](#)" in *Project Syndicate*; and "[How Europe Can Harness Its Digital Economy](#)" for *EU Observer*, with Boston Consulting Group's Fredrik Lind. Associate Director Stéphanie Lepczynski spoke at several conferences, including *Visegrad Contribution to the EU Digital Single Market*; the *New Europe 100* forum and the *Opening Ceremony of the European Centre for Government Transformation* at the College of Europe.

Forthcoming

Industries of the Future: Research and Roundtables

The **Industries of the Future** initiative deepens its work on telecommunications and smart cities with a series of roundtables and cutting-edge research on these fast-emerging areas of contemporary life. The initiative will culminate in a wide-ranging report on lessons learned and frameworks for tomorrow.



Data, Data-Driven Business and Financial Services in the Digital Age

At this high-level roundtable, the **European Digital Forum** will look again at the promise and peril of financial services in the digital age with a special focus on cloud, data and the next frontier. The emphasis will be on examining the unique opportunities and challenges for the financial services sector.

The Creative Economy and Digital Society

The ubiquity of technology has had a curious side effect: it has made the output of the human mind into most successful societies' principal economic resource. At a series of high-level summits and through an array of cutting-edge papers, the Lisbon Council will look at the role of creativity in the modern economy.

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