



Opening keynote speech by President von der Leyen at the 'One Year After the Draghi Report' Conference

Brussels, 16 September 2025

Dear Professor Draghi, caro Mario,

Excellencies,

Ladies and gentlemen,

Today we mark one year since the Draghi report was released. But let me go back for a moment to two years ago, when I first called you, Mario, to propose that you embark on this new mission. I remember you were intrigued by the offer. But you set one condition. You said this new report had to make a real difference. You were not interested in writing another academic paper. You wanted a roadmap for action. And that was exactly what we were looking for. You and the team invested a full year to dig into Europe's strengths, its shortcomings, and how we could address them. And as soon as the report was out, all of Europe turned its ears to you. So, first of all, I want to thank you dear Mario. For your rigour. For your vision. And for your service to Europe. Grazie, Mario.

My new Commission took office nine months ago, the first act of the new mandate was our Competitiveness Compass – that translates the report into practical policies. Then we hit the ground running. With the Clean Industrial Deal. AI Gigafactories. The new State Aid Framework. The Affordable Energy Action Plan. The Savings and Investments Union. Tailor-made action plans for the car industry, steel and chemicals. The greatest surge of defence investment in our history. New proposals on the Single Market, Start-up / Scale-up Fund and Quantum. And six simplification packages on their way. This is the urgency mindset we promised. And we will relentlessly stay the course until we get all of it done.

But today I do not want to focus on how many initiatives or strategies we have adopted. I want to focus on real impact on the ground. Because this is what truly matters. Competitiveness is about jobs. It is about good salaries for people and good profits for companies. It is about our European way of life.

Let me address one by one the three pillars of the Draghi report. The first one is closing the innovation gap with the US and China. The second is a joint plan for decarbonisation and competitiveness. The third pillar is the need to reduce our dependencies. On innovation: Let me start with the positive – before I come to the challenges. Today, the global competition for technological leadership is being fundamentally reshaped by artificial intelligence. And this new AI race has only just begun. Global leadership is still up for grabs. And Europe is not only a challenger but a leader in many fields that will define this race. Computing power for example: Europe has some of the best supercomputers in the world. And even though tech giants across the world continue to build larger and faster computers, we have managed to strengthen our global ranking. Six years ago, we had 2 supercomputers in the global top 10. Then, at the beginning of my first mandate, we decided to massively invest in high performance computing power. Today we have 4 supercomputers in the global top 10, thanks to the launch in the last year of Jupiter in Germany and HPC6 in Italy. Our policies and investment in this field are starting to pay off.

My second point. Europe is well positioned in the world of AI adoption. We have started using AI to boost productivity. I mention that, because this is precisely where Europe had failed thirty years ago, when our companies were too slow to digitalise and go online. This time, Europe is not playing catch-up – we are among the frontrunners. European companies are top-of-the-league on many AI applications. Take Lovable, the Swedish AI app. It turns anyone's ideas into fully functioning apps or websites. Last summer it became the fastest software company in history – to reach 100 million dollars in annual revenue. Today it is valued almost 4 billion. Last June, 10% of all new websites in

the world were made with Lovable. And there are many other European AI success stories – from healthcare to defence. The French champion Mistral is here with us today. In 2025, the number of European businesses adopting AI has risen by 67% year-on-year. This is where we can truly engage in the race.

But we need to capitalise on our strengths and put our digital infrastructure at the service of industry and innovators. This brings me back to our supercomputer. We have created AI Factories and soon we will upgrade the best of them into Gigafactories. The aim is that our amazing innovative start-ups can access the computing power and test and train their models, especially thinking about sectorial applications. And the response of Europe's private sector has been impressive. Our initial goal was to mobilize 20 billion EUR in investment to develop our Gigafactories. We received 230 billion EUR in proposals from the private sector.*

Of course, the rest of the world is racing too. Global investments are skyrocketing. So we must stay focused and put our shoulder to the wheel. This is not a 'mission accomplished'. This is the mission of the next decade to make Europe one of the leading AI continents. In your report, Mario, you said we need to create a virtuous circle, where investment feeds innovation, and innovation attracts more investment. This is the core idea behind our new Competitiveness Fund. It will be the centrepiece of the next European budget – with a proposed firepower of over 400 billion EUR. That includes a rise of twice more money for research five times more money than today for digital. Six times more for clean tech. This is the investment that Europe needs and now Parliament and Council have to be convinced.

Now coming to the challenges: of course, I know that many obstacles still remain. An AI start-up from Portugal or Romania must be able to grow seamlessly across our continent. And today this is often not the case. Our Single Market is far from complete. Internal barriers within the Single Market are equivalent to a 45% tariff on goods and a 110% tariff on services says the IMF. This cannot be. It should not be easier to find fortune across an ocean, than across European borders. We have started to address these barriers – the so-called terrible ten – with our Single Market Strategy. Now it must deliver as a matter of urgency. This is why we have announced a Single Market Roadmap to 2028. The aim is, to increase the pace – speed-up the processes. It will connect our work on capital, services, energy, telecoms, the fifth freedom for knowledge and innovation, as well as the 28th regime for innovative companies with concrete timelines. Because only what gets measured gets done.

Ladies and gentlemen,

The second pillar of the Draghi report is a joint plan for decarbonisation and competitiveness. That starts with bringing down energy costs. We know the core reason why we pay higher bills than our competitors. Europe is too dependent on imported fossil fuels. And this means that the cost of our energy is dictated by global markets. But we also know the solution. That is homegrown energy – renewables, with nuclear as a baseload. This gives us energy security and independence as it is homegrown, –and creates good jobs in Europe. And in the last year alone, we have achieved impressive progress. First, we launched a Wind Package, that is cutting permitting times by two thirds. In the first half of 2025, investment in European wind energy hit an all-time high – more than 40 billion EUR. So - investors are choosing Europe.

Another good news: By now, over 70% of our electricity comes from low-carbon sources. As a result, last year we reduced our fossil fuel bill by 60 billion EUR. This is the way ahead. We have to cut prices and dependencies at the same time.

But let us be clear – our energy prices remain still too high, too volatile, and too disparate across Europe. In some Member States, electricity costs three times more than in others. And many price spikes could be avoided, if energy could flow more freely to where it is needed. But national grids are still not well integrated. Too often, we lack the necessary interconnectors, or we do not make efficient use of those we have. Now we have started to address this. Just last week, the European Parliament has approved our proposal to use Cohesion Funds to boost energy infrastructure. Many projects are already advancing. Like the Celtic interconnector, that will soon end Ireland's isolation from the European grid. Or the Biscay Bay project, to double capacity between France and Spain. In addition, we will propose a Grids Package and a new Energy Highways initiative. It will focus on eight critical bottlenecks in our energy infrastructure. From the Pyrenees to the Trans-Balkan pipeline. From the Øresund Strait to the Sicilian Canal. We will liberate these bottlenecks one by one. And we will step in with funding where necessary.

Mario,

You dedicated a chapter to the clean transition. It is a vast opportunity for our industries. The global market for batteries is expected to double in size over the next five years. The global market for wind turbines continues to rise by over 10% every year. And the global market for electric cars is booming. In Europe sales are up almost 25% year-on-year. Across Africa, Asia and Latin America EV sales rose by 60% in 2024. This is first of all good news for the climate. But the question is: do we want to reap the economic benefits of it? Or do we want others to take a growing share of these rising new markets? I have no doubt about the answer.

When I speak to the Global South, from Africa to India to Central Asia, they are all suffering from climate change - they are looking for clean tech solutions. Europe can be home to frontrunner industries that can export the solutions to others. We should be the industrial powerhouse that meets this growing demand for clean tech. But this is not a given. We know that the figures are not as encouraging as in other sectors. Too often, we are losing jobs and market share to non-market economies. But we can still turn the tide. This is why we need to massively boost our public and private investment creating lead markets for circular and clean products, and securing a level playing field. Europe must protect its industries. They are frontrunners in the race to decarbonise. And they should be incentivised and rewarded. Otherwise, we risk again to rely on others to import the steel that our carmakers need, to import the cement that our builders need. We would be again at the mercy of the price, volume and quality that others are willing and able to provide. This is why we have to focus on the sectors that are most strategic to us.

With the Clean Industrial Deal, for example we are tackling the main hurdles that slow them down. Or we are working on a Battery Booster package, for example, as batteries are a key enabler of all other clean tech. This will put EUR 1.8 billion up for equity to expand production in Europe. This work goes at the heart of Europe's independence.

Ladies and gentlemen,

The third and final pillar is indeed the need to reduce our dependencies. In this last year, we have seen export controls from China bring production lines in Europe to a halt. Today a single country controls 75% of the processing of cobalt, 90% for rare earths, 100% for graphite. This is a critical situation – no doubt about it. But there is nothing inevitable about it. With the right policies, we can shore up our security, and build our independence. And this is what Europe is up to today. First, with diversification. In the last year alone, we have reached new trade deals with Mercosur, Mexico and Switzerland. The agreement with Mercosur, for instance, will create a market of 770 million consumers and roughly one quarter of global GDP. We secured an initial agreement with a mining giant like Indonesia. We are now in talks with India and want to conclude before the end of the year. Strong political commitments on my side, strong political commitments on Modi's side. We are advancing with South Africa, Malaysia, the United Arab Emirates – and more. Our economic security has a crucial role in all of these deals. And we know that together with trade comes investment. We are building a network of strategic projects across the world: Let me give you two examples, nickel in Canada, that is enough to produce over 800,000 EV batteries every year, or we have agreed with Kazakhstan, Graphite, for 100,000 EV batteries every year. Or look at the strategic Lobito Corridor to Africa's copper belt.

Of course, the work for economic security begins right here at home. This year, we selected 47 strategic projects across Europe under our Critical Raw Materials Act. We will focus our financial support on these crucial endeavours, and we will ensure that all the permitting is granted in due time. From copper and cobalt mining in Finland, to lithium processing in Portugal, to battery recycling in Italy.

Let me focus in particular on recycling. Because the circular economy is central to our security of supply. Already today, with ever kilogram of raw materials, we produce 33% more output than the US, and 400% more than China. Think about the potential competitive advantage if we manage to scale this up. The best answer here is creating a truly circular economy. So we are working on a Circular Economy Act. And we will start in those sectors that are ready. Like the batteries for example. Because we know that circular production limits our strategic dependencies and it enables frontrunner industries that can export the solutions I was just talking about to others. We can literally turn waste into the critical enabler of our competitiveness.

Ladies and gentlemen,

Let me conclude with a final example on reducing our dependencies. There is another vital sector

where we can no longer afford to be excessively reliant on others And that is defence. Of course, a more independent Europe of defence will not happen overnight. And I want to say right at the beginning, there is a strong alignment with NATO. It will take years to rise to the task. But it is crystal-clear that Europe must now carry the lion-share of its own security.

This is why we launched Readiness 2030, to mobilise up to EUR 800 billion in defence investments. This includes EUR 150 billion - SAFE – for joint defence procurement. It is on track to be the most successful instrument on defence and it took only 72 days to approve the SAFE loans. From the idea and the launch of our proposal to the approval, 72 days. And in less than six months, we have already assigned the total amount of 150 billion in loans. This is the sense of urgency we need.

I wish I could see the same sense of urgency all across our competitiveness agenda. We need urgent action to face urgent needs. Because our companies and workers can no longer wait. Take our simplification efforts. In every meeting I have with businesses, this is always their top request. And in 9 months, we have presented six simplification packages – the so-called omnibuses. Two more are on their way – on digital and military mobility. They will make a real difference. With less paperwork, less overlaps, less complex rules. Our proposals will cut EUR 8 billion a year of bureaucratic costs for European companies. But it has already been a long time since the omnibuses hit the road. Now they need to reach their destination. They need an urgent approval by the co-legislators. And the same is true for many other proposals. From the Savings and Investments Union, to several trade agreements. And we have to do our homework in the Commission. Just to mention one example: Competition policy. We have discussed an overhaul for a while. The direction of travel is clear That is why we will advance the publication of the merger guidelines. It is time to deliver.

I am absolutely convinced that Europe can unite around this agenda. Every single Member State has endorsed the Draghi report. And so has the European Parliament. We all know what needs to be done. And business as usual does not work anymore. And this is my final message today. This is what the people of Europe expect from us. They expect our democracy to decide, act and deliver. And I know that Europe can make it. Because we have already shown what is possible. We can move mountains when we have the ambition, the unity and the urgency. It is our choice. So let us make that choice again. For prosperity. For independence. And for Europe.

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Press contacts:

[Paula PINHO](#) (+32 2 29 20815)

[Arianna PODESTA](#) (+32 2 298 70 24)

[Olof GILL](#) (+32 2 29 65966)

General public inquiries: [Europe Direct](#) by phone [00 800 67 89 10 11](#) or by [email](#)