Fabio Panetta: Finance for innovation and artificial intelligence as drivers of development

Opening remarks by Mr Fabio Panetta, Governor of the Bank of Italy, at a conference organised by the Bank of Italy and the European Investment Bank, Rome, 2 July 2026.

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Ladies and Gentlemen,

It is a pleasure to open this conference, jointly organized by Banca d'Italia and the European Investment Bank. I would like to thank the colleagues who have promoted this discussion on innovation, artificial intelligence and finance - three essential levers for growth in Italy and in Europe.

Artificial intelligence (AI) is no longer a distant prospect. It has already entered production processes, services, research and everyday life, and it is advancing at a pace that requires firms, institutions and the financial system to act with equal speed.

Consider two recent developments: the spread of new models designed for 'AI agents',[1] capable of performing complex tasks with a high degree of autonomy, including by interacting with one another and with humans, and the launch of portable devices equipped with computing power that just a few years ago would have required specialized infrastructure.[2]

These advances can significantly expand the scope for the use of AI by firms, lowering costs, removing barriers and speeding up its adoption.

In my latest Concluding Remarks, I noted that the broad and timely diffusion of AI can make a significant contribution to reviving productivity in Italy. This is an important opportunity, especially for an economy such as ours, with deep industrial capabilities, highly specialized production systems and vast amounts of data generated every day by firms.

The benefits could be particularly significant in manufacturing. Artificial intelligence can help prevent equipment failures, reduce waste, optimize the use of energy and materials, accelerate design processes and improve product quality. It can also transform the data accumulated in production into knowledge, innovation and efficiency.

However, its impact will be much broader in scope. In medicine, for example, AI can enable faster and more accurate diagnoses, improve care pathways and accelerate the development of new drugs and treatments. In this field, technological progress can directly translate into people's well-being.

More broadly, it will reshape the organization of work, education and training, as well as the way decisions are taken.

As with every major technological transformation, some activities will change profoundly, while new ones will emerge. What is different today is the speed of change.

This is why the transition must be prepared and managed: we need to invest in skills, support the workers most exposed to these changes, and ensure that the benefits are not concentrated in a limited number of firms, sectors or regions.

We must act decisively to ensure that technological progress translates into human progress. This is the spirit of the appeals made by Pope Leo XIV[3] and President Mattarella[4] artificial intelligence must remain at the service of people, of the dignity of work, of responsibility and of freedom. Only under these conditions will change be seen as an opportunity, rather than as a threat from which to shield ourselves.

This transformation will require large investments by firms, different in nature from traditional ones. Many will be intangible: research, software, data, skills and organization. These investments are difficult to assess from the outside, often risky, and have uncertain returns that may only materialize over time.

This is where the financial system comes in. Without adequate finance, innovation remains just an idea. With patient finance, risk capital and deeper markets, it can translate into growth, employment and competitiveness.

Italy and Europe are not starting from scratch. They have savings, research capacity, firms and skills. Yet too often these resources do not come together on the scale required to support the most ambitious projects. We must strengthen our ability to mobilize capital towards firms that innovate, grow and transform research into practical applications.

These are the challenges we will discuss today: how to ensure that artificial intelligence does not remain confined to the technological frontier, but becomes a broad-based driver of development; and how to build the financial conditions needed for this transformation to take place in Italy and in Europe.

I wish you an open and constructive discussion, and I thank you for your participation today.

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[1] Anthropic, Introducing Claude Opus 4.8, 2026. For an overview of the main features of agentic AI, see B. Stackpole, Agentic AI, explained, MIT Sloan School of Management, 18 February 2026.

[2] NVIDIA, 'NVIDIA and Microsoft Reinvent Windows PCs for the Age of Personal AI', press release, 31 May 2026.

[3] Leo XIV, 'Magnifica Humanitas. On safeguarding the human person in the time of artificial intelligence', Encyclical Letter, 15 May 2026.

[4] Speech by the President of the Republic Sergio Mattarella at the XIX Summit Cotec Europa on 'Rethinking work in the age of artificial intelligence: transformation, opportunities and governance', Venice, 17 June 2026.