

SPEAKING FOR EUROPEAN ENGINEERING

ANNUAL REPORT
2010 / 2011

**ELECTRICAL &
ELECTRONIC**

MECHANICAL

METALWORKING



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PRESIDENT'S MESSAGE

I am now in the second year of my Presidency of Orgalime and my task of communicating the vision of our industry is easier today than it has been for some years: with the EU2020 agenda, industry is back in fashion in Brussels. This is something we strongly support and we appreciate the efforts of those driving this view forward.

We firmly believe that our role as an association representing many thousands of manufacturing companies is all the more important today because we are treading a fine line on where companies will invest now that demand is picking up again – within the EU or outside? After the recent brutal economic downturn – output dropped by a massive 22% in our industry in 2009 – fortunately we have seen signs of a healthy recovery in 2010, with many businesses benefiting from the global economic expansion. However, there is still quite some way to go for most, before their turnover gets back to where it stood just two years ago. And recent events across so much of the world, whether political issues or natural disasters, highlight the uncertainty that businesses can suddenly face. All in Orgalime extend their sympathies to all affected by the recent earthquakes and especially in Japan.

Indeed, our industry is doing well in export markets. This is heartening because it means we are successfully competing on the international scene, and we need this to continue. However, for our producers of capital goods, it is equally important for the long term that our customers invest here in Europe. This will be a sign that the industrial policy agenda launched by the European Commission really is bearing fruit and helping to lay the foundations for better longer term structural growth. Hence our motto: 'Manufacturing matters'. Turning Europe once again into one of the more dynamic economic zones is a goal worth fighting for and it is a goal which we must achieve.

But there is more to our activities than industrial policy: for many years our work with the EU institutions has had to be centred on dealing with the EU's endless stream of new legislation, which had therefore become the 'bread and butter' of Orgalime's work. Unfortunately, in many cases it still is. We believe that European industry should aspire to maintaining a leading role in the world economy. However, in order to do so, it must be able to compete on an equal footing with other regions of the world. This is becoming all the more important at a time when we see a surge of growth shifting rapidly to other regions, such as Asia, while Europe still struggles to emerge from the economic crisis. Success in exporting to growth markets is essential for jobs and growth within the EU and our policymakers must continue to recognise and support this.

In addition to exports, the success of our industry in Europe has been built upon the development of the internal market, which still needs strengthening for both products and services. We welcome the renewed drive of the European Commission to complete the internal market and hope that this can be achieved in a way which does not lead to excessively heavy regulation – and thus make our exports less competitive.

Just as fundamental is how the industrial policy agenda of the European Commission is rolled out: we are being pushed to develop the green technologies, which the institutions see as the basis for future growth. Our industry is the key to technological progress, including in the area of climate and environmental protection. This means

research, development and innovation: over 80% of the EU's private sector R&D expenditure is invested by manufacturing industry, much of it by ours. On the other hand, the Commission's recent innovation survey does not bring us much joy at the level of innovation: we are too slow in implementing the results of R&D through innovative products. And the finger is pointed firmly at the framework conditions in the EU.

So here the fundamental question remains: will Europe's lead in greening its economy mean that the technologies to do so will be developed and produced here or will we just import them? Opportunities must outweigh the constraints created for our industries. We believe that political decision makers have a crucial role to play in designing measures that help to stimulate market uptake, for example of energy-efficient and greener technologies, thereby effectively creating success stories here in Europe which will underpin our export markets. This is why we are convinced that the institutions' drive to get national governments to support investment in energy efficiency is a step in the right direction. The message is simple: innovate, use and produce in Europe.

It is not, however, enough: we are still seeing enormous discrepancies between the vision developed by the institutions and the reality on the ground; for example, recently the European institutions have added to the 'legal limbo' companies find themselves in, by accepting a compromise proposal for the recast of the RoHS (Restriction of Hazardous Substances) Directive which opens the door to 'sunrise legislation' – a significantly wider scope a few years down the line, if no new review of the directive is adopted in the meantime. So here we have new measures being enshrined in regulation without even the slightest impact assessment. This is discouraging because it means that regulators are, in the main, still not translating their words into actions. If we are to make real progress, it is high time the institutions seriously focused on improving the framework conditions for companies working in the EU. These have got significantly worse in recent years.

My colleagues and I are therefore encouraging officials and politicians to work on improving conditions for companies. This year, for example, we have been active in the European Forum for Manufacturing in the European

Parliament, where we have discussed our industry's views on a wide range of policies and regulation in the legislative pipeline.

Although it is too early to see the long term effect, we are beginning to see signs that our message is getting through. Regulators, in particular in Brussels, are beginning to realise how important manufacturing is to the future of Europe and to understand that they must help to create a framework for growth and entrepreneurship which reconciles the competitiveness of our companies, the need to achieve energy security and efficiency and our desire to live in a better environment and society.

The best growth programme in the long-term for us will be a fully integrated internal market in the expanded EU – over 500 million citizens in 27 countries – a market with highly competitive investors in new technologies, modern infrastructures, markets for new technological applications and a friendly framework for entrepreneurs and investors, and thus also a sound base for exporting to developing markets. It is a daunting task which requires tremendous willpower, political courage and cooperation between the institutions, both in Brussels and in the different countries. Let us hope for the sake of our citizens and our children that we will manage it.

And finally I would like to thank all those with whom I interact: our staff here in Brussels and our members in the national association network that together, have risen to the challenge of driving this proactive agenda.



RICHARD DICK

A handwritten signature in dark ink, appearing to read 'Richard Dick', with a stylized flourish at the end.

**“WE ARE STILL SEEING ENORMOUS
DISCREPANCIES BETWEEN THE VISION
DEVELOPED BY THE INSTITUTIONS AND
THE REALITY ON THE GROUND.”**



DIRECTOR GENERAL'S MESSAGE

From the very first meetings of the associations that were to form Orgalime at the end of the 1940s, Orgalime, which at its launching included members from 12 countries, has systematically developed its membership which has today grown to 32 national trade federations or associations representing the metalworking, mechanical, electrical and electronic industries of 22 European countries. Today we are opening it up further.

Now, after the last major development as members joined us from the new EU member states, so this year we took the decision to open our membership to include European sector associations so as to help us to go on fulfilling our basic mission: to be the prime voice of the engineering industry for the core issues which affect a range of sectors in our industry.

Why this change? Simply because Brussels is becoming ever more crowded, making Orgalime's mission an increasing challenge: Orgalime covers some 140 product areas, many of which also have their own European associations, each representing a single product category or a range of products. More associations and companies in our industry than ever before now have representative offices in Brussels. Orgalime itself is providing services to 19 European sector associations in our industry. Establishing networks, whether formal or informal, to work on specific issues is becoming increasingly important to ensure that, where possible, a united voice from our industry is heard both in Brussels and in European capitals. As Brussels has an ever greater impact on our constituency, this is essential.

REASONS TO BE CHEERFUL...!

After a dismal year in 2009, the level of production has increased in all sectors of engineering with, however, variations between markets and sectors. All in all, the output for the engineering industry in Europe grew by 7.5% in 2010 and prospects for 2011 are good.

MANUFACTURING BACK IN FASHION?

In 2010 we have seen the development of the EU2020 strategy and its 7 'flagship initiatives' with the issue of an impressive array of 'Communications' on the internal market, on industrial policy, on energy policy and infrastructures, on trade, on innovation, etc... .

We are pleased to see much of our work on industrial policy, on R&D and innovation and on trade issues reflected in these Communications. We can be satisfied that industrial policy is one of the cornerstones of the EU's policy today: it puts manufacturing at the centre of recovery of growth and jobs in the EU and recognises the importance of a strong, competitive and diversified industrial manufacturing value chain.

How are we working in practical terms in the area of industrial policy? We are certainly among the most active associations in this area with an agenda spanning the whole scope of our industry:

- We have completed work on the metalworking review on which the Commission and a number of our members worked for over a year; the report has been adopted and several follow up events have taken place. We have something to be proud of: for the first time the role of this amazingly productive branch of our industry has been highlighted and its contribution to Europe's economy is now better understood.
- Following the machinery conference organised by the Commission in Brussels at the end of last year where



a number of CEOs from our industry communicated their views and wishes to an audience of some 400, the Commission has launched a review on the competitiveness of the mechanical engineering industry.

- In the follow up to the Electra Communication on the competitiveness of the electrical and electronics industry, we have become active in the area of electric vehicles and smart grids, setting up two task forces to provide our input on these issues. We also organised a follow up event in Vilnius for our Baltic colleagues. Now we are working with the Commission on the report that they will make to the Competitiveness Council in 2012.
- We are also following a fourth policy area in the High Level Group on Key Enabling Technologies (KETs) which focuses on the competitiveness of the EU's industry in the areas of nano-technology, micro and nano-electronics, photonics, advanced materials, bio technology and advanced manufacturing systems. The report for this group will be issued in mid-2011 and should lead to follow up actions.

We are investing considerable resources working in the area of industrial policy because we are convinced that unless things change very quickly in our regulatory

culture, we will see an impact on the long term future of manufacturing in the EU which will be difficult to reverse: our industry's main clients are other industrial sectors; we see the recovery in investment not here but on our export markets; this means that our clients are not investing as much as we might have expected in the EU and it is, so they tell us, because investment conditions are not attractive compared to those in other markets.

We will therefore continue to strive in 2011 to achieve greater cohesion in the legislative processes, giving industry a chance to concentrate on what it does best – i.e. being innovative and competitive on the world markets rather than being involved in an infernal cycle of legislative reviews which inevitably seem to add more burdens to companies manufacturing in the EU, making the EU a less competitive manufacturing location.

ISSUES

If things on the regulatory front have been slightly calmer this year as the institutions develop their new policies, for us there are, however, major areas of work underway.

First, with the entering into force of the New Legislative Framework, we are seeing most of our product directives being aligned to this revised framework. This is a mammoth task, as adapting each of the many product directives requires in depth analysis of the impacts changes in wording will have. Moreover this new framework has brought about significant changes to other areas such as accreditation, conformity assessment procedures and market surveillance which we are closely following.

Trade policy is a booming area of work where the Commission has launched activities with renewed vigour both on the multilateral and on the bilateral fronts where more than 40 agreements are under discussion. This is proving something of a challenge for most of industry to follow. With the new Lisbon Treaty, we are seeing the European Parliament's involvement increase significantly.

R&D and both the development of the work undertaken in the research association EFFRA which we launched last year with members of our network, as well as the forthcoming Common Strategic Framework for EU research and innovation funding, are high on our agenda, as we seek to make the programmes funded by the institutions more attractive to our industry in terms of content and participation.

Finally, in the areas of environment and energy, the WEEE and RoHS Directives and the REACH Regulation have been occupying our attention throughout 2010 as has work on smart grids and electric vehicles, new issues where we are closely involved both in the regulatory and standardisation areas.

CONCLUSIONS

If Orgalime is focusing on a limited number of horizontal issues, we are very much at the forefront in driving a proactive manufacturing agenda on the Brussels scene and in dealing with the horizontal issues which affect a wide range of sectors of our industry. As the 2020 political deadline rapidly closes down on us, we can be satisfied that we were consulted, considered and listened to by the institutions on the most important policy areas affecting European engineering and manufacturing. I wonder if in 2020 we will be able to reflect and say that with our efforts, we really did make a difference.



ADRIAN HARRIS



BEATRICE SCHWERING



JO DECALUWE

EUROPEAN ENGINEERING IN 2010

SNAPSHOT

2010

OUTPUT	€1,510 BILLION
EXPORTS (OUTSIDE THE EU)	€462 BILLION
EMPLOYMENT	9.7 MILLION
FIXED INVESTMENT	€46.5 BILLION

BOARD AND POLICY COMMITTEES

“2010 has been a year of transition in more ways than one: in Brussels, we have seen the new Commission starting to work and, as might be expected at this time, we are seeing renewed activity and some might say hyperactivity: we are facing a rush of new policy documents prepared after consultations with stakeholders. To give you an idea in a couple of areas: there are some 40 countries where the Commission is today negotiating either bilateral free trade agreements and, in the technical area, ten of the product directives are going through a realignment or revision.”

KLAUS MITTELBACH, CHAIRMAN OF ORGALIME

BOARD OF DIRECTORS

 **MR. KLAUS MITTELBACH** (ZVEI – GERMANY) – CHAIRMAN

 **MR. GUIDO BIESSEN** (FME/CWM – NL) – VICE CHAIRMAN

 **MR. BERNDT-THOMAS KRAFFT** (FMFI – AUSTRIA)
– PAST CHAIRMAN


 **MR. PAUL SOETE** (AGORIA – BELGIUM)

 **MR. JOÃO REIS** (ANEMM – PORTUGAL)

 **MR. THOMAS BUSTRUP** (DI – DENMARK)

 **MR. ERIC JOURDE** (FIEEC – FRANCE)

 **MR. GEOFF YOUNG** (GAMBICA – UK)

 **MR. JANEZ RENKO** (GZS MPA – SLOVENIA),

 **MR. JOSÉ LUIS CASTAÑEDA** (SERCOBE – SPAIN)

 **MR. HANNES HESSE** (VDMA – GERMANY)

MALC

“The study on the metal articles and metalworking sector – the first one in EU history – gives the European institutions no excuses not to develop coherent horizontal and vertical policies that will help the sector to remain competitive for the foreseeable future.”

GUIDO BIESSEN, CHAIRMAN OF MALC

Orgalime and its members have actively contributed to this EU study on the competitiveness of the metalworking and metal articles industries, the first time that this sector of Orgalime's industry has ever been analysed in detail. The official launch of the report took place in Bilbao in June 2010 under the Spanish Presidency of the EU.



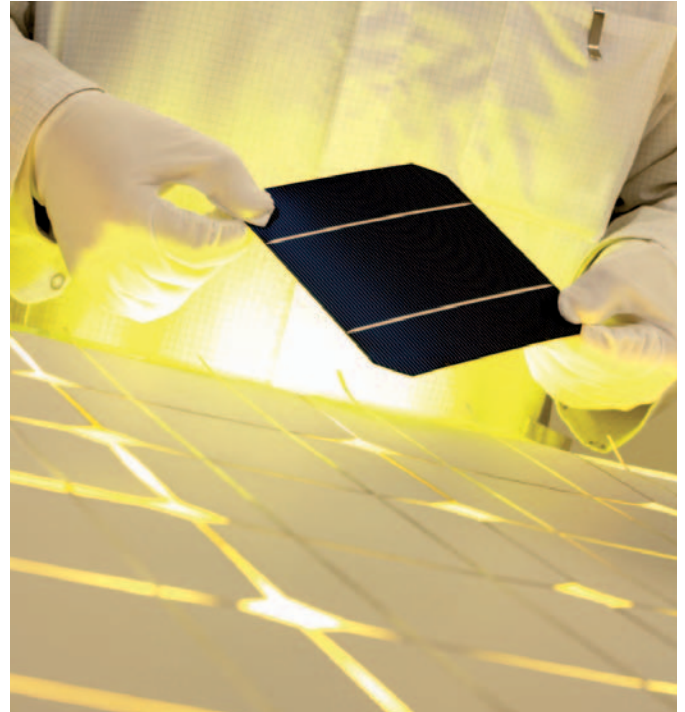
CEEI

“The implementation of the Electra recommendations on how to generate the right framework for our electrical and electronics industries has been fairly comprehensive and this process is ongoing, despite the extremely tough economic conditions through which industry has experienced between 2008 and 2010.”

ERIC JOURDE, CHAIRMAN OF CEEI

The Electra process is well on track but needs to focus more concretely on a certain number of selected topics, in particular at national level. In principle, many areas related to Electra are well spread in various European Commission policies, a few of them, such as security of citizens or ageing society, deserve more attention.

Orgalime believes that the emphasis put by the European Commission on industry in its Europe 2020 strategy, where industry is at the core of most of the seven planned ‘Flagship Initiatives’ puts us on a strong footing.

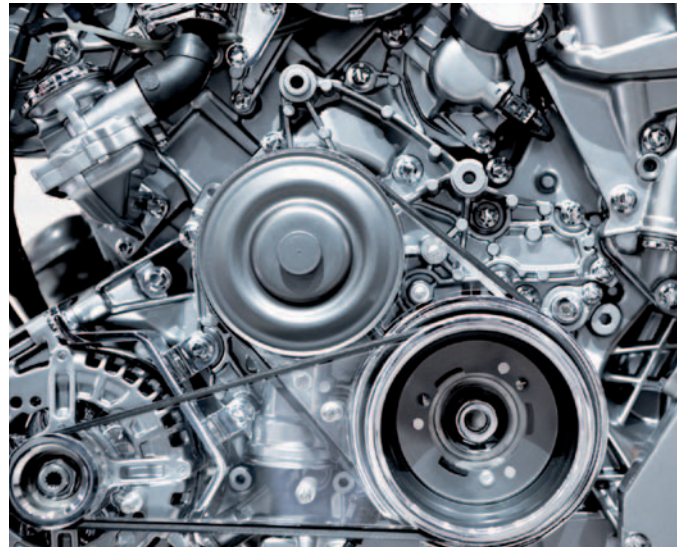


MELC

“Orgalime relishes the chance to contribute to the study on the competitiveness of the mechanical engineering sector. The study will give analysis on how the sector has survived the global crisis and what has changed since the EnginEurope on the competitiveness of the mechanical engineering industry was launched in 2007.”

JOSÉ LUIS CASTAÑEDA, CHAIRMAN OF MELC

This is a key branch of Orgalime's industry whose exports contribute strongly to the recovery of the engineering industry as a whole.



THE BUSINESS SITUATION IN 2010

INTRODUCTION

Orgalime's economists compile and analyse their latest data and forecasts for the engineering industry twice a year. Economic trends for metal products, mechanical engineering, electrical engineering, electronics and ICT and instruments which are mainly in chapters 25 to 28 of the NACE rev 2 nomenclature are analysed and commented upon. Figures for repair and installation services (Chapter 33) which are also provided by the industry are included in the totals.

The engineering industry's value of production in EU27 was estimated to have reached some €1400 billion in 2009 and the number employed stood at about 10.2 million people. The engineering industry, which Orgalime represents as a whole at the level of the EU, represents some 28% of the output and a third of the exports of the EU's manufacturing industries. Total trade (intra + extra trade) of the Orgalime industry reached €981 billion in 2009.

2010: A GRADUAL ACCELERATION THROUGHOUT THE YEAR

As the industry entered 2010, it was against the background that the level of production had actually started to rise since the middle of 2009. The improvement was however limited. Many firms and markets were still struggling in the aftermath of the international financial crisis; so companies were still on the whole somewhat cautious about the overall business outlook. But by mid 2010 the level of production in EU27 industry had soared an impressive 6% higher than in December 2009. The engineering industry's value of production in EU27 is therefore estimated to have reached €1510 billion in 2010, up 7.5% on the year.

DRIVEN BY EXPORTS

Growth in worldwide GDP was relatively strong on an overall basis in the first half of 2010. Demand was met decreasingly by depletion of inventories and increasingly by higher output.

As the contribution of the inventory cycle diminished during the second half-year, so growth slowed. The relatively weak growth trend in the EU countries stands in sharp contrast to the tendency of many fast developing economies: a number of countries in Asia and Latin America are showing particularly rapid expansion.

The expansion of Orgalime's industry in 2010 was therefore mainly driven by exports to these growth economies. All in all intra- as well as extra trade grew with exports increasing by 13% in volume in 2010.

Confidence indicators, that began to improve already late in 2009, strengthened further during the autumn of 2010, low interest rates, as well as a boost in public spending also stimulated activity in 2010.

MORE THAN TWICE THE AVERAGE RATE

Over the year 2010, the production volume of the Orgalime industry increased by an estimated 7.5%. As in previous recoveries this was well above the long term average growth of about 3%. All major sub-sectors in the industry showed robust growth in 2010. The highest growth was registered in the electrical and ICT sector with growth of close to 10%.

STILL A LONG WAY TO GO

Despite the overall improvement, it is worth mentioning that the industry still has some way to go before the level of production is back to its pre-crisis level as production fell dramatically by close to 20% in 2009.

ELECTRICAL, ELECTRONICS AND INSTRUMENT INDUSTRIES

The electrical, electronics, ICT and instrument industry is amongst the largest industrial sectors in Europe. Value of production in 2009 was about €470 billion and employment stood at an estimated 2.9 million.

AN OVERVIEW OF SECTOR PERFORMANCE IN 2010

ORGALIME SECTORS	2010 PERCENTAGE CHANGE IN VOLUME OF PRODUCTION
METAL PRODUCTS	+6.7
MECHANICAL ENGINEERING	+6.1
ELECTRICAL/ ELECTRONICS, INSTRUMENTS AND ICT	+9.7
TOTAL ORGALIME INDUSTRIES	+7.5

SITUATION IN ELECTRICAL ENGINEERING SUBSECTORS

Volume of production in electrical engineering equipment increased by nearly 10% in 2010 after a drop of 20% in 2009. The sub sector of motors, generators, and transformers enjoyed a rather healthy comeback, but other sectors such as batteries, accumulators and domestic appliances grew at a considerably lower rate. For domestic appliances, this was a reflection of low consumer confidence and high unemployment in the EU.

ELECTRONICS AND ICT ALSO SHOWED RECOVERY

Business activity stepped up in the ICT industry during 2010 with higher demand reported in the electronics components industry, as well as for consumer electronics, such as computers and other new consumer electronics goods.

Production in instrument engineering, that to a rather high extent is dependent on overall global manufacturing activity, also showed a healthy expansion.

MECHANICAL ENGINEERING INDUSTRY

The European mechanical engineering industry reached an annual value of production of about €450 billion in 2009. Employment is estimated at some 3.1 million employees.

The financial turbulence in 2009 affected the mechanical engineering industry more than any other sector. Investment budgets of its clients were slashed and capacity utilisation fell dramatically in manufacturing industry and thereby reduced the need of investment goods. But, as the global manufacturing industry started to recover, the need for replacing or even expanding investment goods increased.

As a consequence, production in European industry of machinery and equipment grew by 6.1% in volume during 2010.

It should be noted that production in mechanical engineering compared to other sectors is lagging slightly in the sense that capacity utilisation and profits of their clients need to improve and financial constraints have to be eased before demand for machinery can really pick up substantially.

ACCELERATION IN ALL MAJOR SUB-SUBSECTORS

All sub-sectors in mechanical engineering expanded their business in 2010. Highest growth rates occurred in special purpose machinery, that is machinery for other manufacturing industries and general purpose machinery such as pumps, compressors and other power machinery. Business for machine-tools producers also picked up, but production increased only at a very moderate rate.

INDUSTRY OF FABRICATED METAL PRODUCTS

The industry covers a wide range of products including tools and finished metal goods (accounting for some 40% of production), castings, forgings, boilers and metal containers, as well as secondary transformation on a contract basis, such as treatment and coating of metals.

The value of production for the sector in the year 2009 is estimated at €379 billion. The number of employees is estimated at a level of 3.6 million.

The industry produces, to a large extent, inputs or products used in other sectors in engineering, such as machinery and the motor car industry. As stated above, demand from these sectors started to pick up in 2010. As a result, output for metal goods is estimated to have increased by 6.7% during 2010.

INVESTMENT AND EMPLOYMENT CONTRACTED IN ORGALIME INDUSTRIES

Low capacity utilisation, notwithstanding the upturn during 2010, as well as unsatisfactory profit levels, meant that investment only grew modestly for Orgalime's industry in 2010, that is by 2.5% in volume.

Employment also fell for the second consecutive year. There was still a need to trim the workforce as the rate of productivity needed to be restored after the recession.

THE GENERAL OUTLOOK FOR 2011

HIGHER OPTIMISM DESPITE TEMPORARY DISTURBANCES

Based on what official data is now already available for early 2011 for Orgalime's industry in the EU27, we expect that the recovery will continue. It is of course of great importance to highlight that the outlook is not uniform throughout Europe: some countries are still struggling with hardly any growth or are burdened with the necessity of running a very tight budget in order to redress their financial situation; as the same pressure is also being felt by many consumers, so there are clear signs in certain countries of sluggish growth.

The first quarter of 2011 has also been one of some political unrest in countries both bordering Europe and further afield: as a consequence, there have been signs of a shortage of components and a rise in input costs. A majority of these factors can be considered as temporary, but permanent effects cannot be ruled out; this is having a negative impact on the overall business confidence of Orgalime's industry.

INDICATORS HAVE NOT YET SHOWN ANY SUBSTANTIAL DECELERATION

The results from various business surveys have improved lately. The Commission's DG Economic & Finance monthly business survey shows an improvement in most of EU27 Orgalime sectors. Order stocks are improving and the inflow of new orders has increased. Inventories of finished goods have been reduced strongly over the last year and will therefore not affect future production negatively. Other short term indicators, such as the purchasing managers' index or forward looking surveys such as IFO expectations, also show considerably stronger data than late last year.

Activity in the global manufacturing industry is now also considerably higher than previously and, in combination with an improvement in profits and access to credit, the foundations for a rather positive environment for demand of investment goods have been laid. It is against this background that Orgalime's economists forecast the expansion of the industry in 2011.

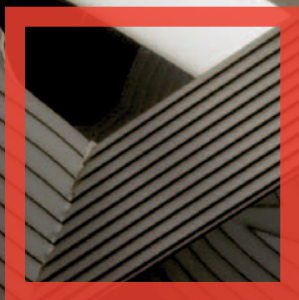
Orgalime expects an increase in volume of production in 2011 by about 7% which is only a modest deceleration of the growth rate compared to 2010. Foreign trade in terms of exports is once again a major force behind this and is expected to increase by 9%.

After two years of decline, employment is expected to grow by some 0.6%, a modest rise but one which brings the industry back on the track of rising output leading to rising employment.

At the level of investment goods, Orgalime's industry is itself investing again: after a rather moderate growth in fixed investment last year, this year, the growth of investment in Orgalime industries in Europe is expected to rise by close to 8%, a figure reflecting the overall higher activity in our industry.

In conclusion, Orgalime's industry is experiencing a more robust rebound than initially expected, which is largely driven by a healthy demand for engineering products, and in particular capital goods on the industry's world export markets, as well as investment in our own industry. The shadow that remains, however, is that of the investment of our clients in the EU which continues to lag.





**“‘AN INDUSTRIAL POLICY FOR THE
GLOBALISATION ERA’ PUTS MANUFACTURING
AT THE CENTRE OF RECOVERY OF GROWTH
AND JOBS IN THE EU.”**

ISSUES

In 2010/11 Orgalime published a total of 34 position papers covering a broad range of topics including environment, trade, technical & horizontal regulatory issues. These positions are given the widest possible circulation within the EU institutions, national authorities (via members' networks) and European-wide media. They can of course be retrieved on the Orgalime website – www.orgalime.org/positions/latest_positions.asp

INDUSTRIAL POLICY



ADRIAN HARRIS



AGNES POTOČNIK



ELEONORA PICCINNI



HESTER JANSEN

In October 2010, the European Commission issued a Communication – ‘An industrial policy for the globalisation era’ – one of 7 so called ‘flagship’ initiatives of the Europe 2020 strategy. This is indeed encouraging news as it puts manufacturing at the centre of recovery of growth and jobs in the EU and recognises the importance of a strong, competitive and diversified industrial manufacturing value chain. It further highlights the important work Orgalime has been involved with in previous years in getting our sectors full recognition within the European Institutions: our manifesto “Manufacturing matters”, as well as the reports drafted with the institutions – EnginEurope, the Metalworking review and Electra have all been received in a very positive light and could indeed be viewed as one of the catalysts for these overarching industrial Communications.

There have been follow-up events following the launch of the study on the competitiveness of the metalworking industries, where Orgalime and our Belgian member, Agoria organised a workshop focusing on the impact of European regulation on the Small and Medium-sized Enterprises of the metalworking sector. In early 2011, the European Commission also launched a one-year study on the competitiveness of the mechanical engineering industries, with the intention of focusing on how the sector has evolved since the EnginEurope report of 2007, in particular how it has coped during the global financial crisis. 2011 will also see a stock-taking exercise on the impact that Electra has had on the electrical and electronics sector – this will be the main driver for recommendations of future work in this area.

We are also monitoring closely the ongoing policy work on the so called 'KETs' – the key enabling technologies – nanotechnology, micro and nano-electronics, photonics, advanced materials and biotechnology – were identified by the European Commission to be the main drivers behind the development of a significant part of goods and services in 2020. Advanced Manufacturing Systems – one of the clients of these technologies is also covered as part of this policy work.

E-MOBILITY

Orgalime has recognised the necessity to be present at the table in discussions concerning e-mobility. An E-Vehicles Task Force was set up and quickly issued a position paper – 'Electric vehicles: Issues for the electrical and electronic industries'. Shortly after this, Orgalime became an active participant at CEN/CENELEC focus group on electric vehicle standardisation, which has a mandate to present a report on the standards programme for e-vehicles and their supporting infrastructures, where we believe much of the value added generated by developments in this area will be found in the future. Orgalime is also contributing to the work of the re-launched CARS 21 high level group which is covering this issue too. Orgalime will continue to focus on

this area with a view to ensuring that the link is effectively made between the automotive and utilities sectors, notably in the area of the charging infrastructures and their integration into the electrical grids.

SMART GRIDS

If the European Union is to pursue its environmental and climate change objectives, it needs to optimise the potential of electrical energy and reform the way it is carried and distributed. To support this, Orgalime has joined the Commission's Smart Grids Task force and has during the year issued a position paper 'Smart Grids: a vision and recommendations from technology providers'. From an industry perspective, there is an important role for Orgalime to play in advocating the benefits that smart grids can bring to meet societal needs and to create a more competitive electricity market which in our view is essential to underpinning the development of the use of electricity as an energy source in the future. The importance of this topic was highlighted by our members during discussions with the Energy Commissioner, Mr Oettinger, at the Orgalime Presidents Board in December 2010.

INTERNAL MARKET AND STANDARDISATION



PHILIPPE PORTALIER



ELEONORA PICCINNI



PAOLA CAPELLINI



DELPHINE ENGLEBERT

NEW LEGISLATIVE FRAMEWORK

It has been over a year since the New Legislative Framework came into force. The European Commission has been making

steady progress with the plan to align 10 New Approach Directives (including the Low Voltage, Electromagnetic

Compatibility, Pressure Equipment and ATEX Directives) with the New Legislative Framework.

In June 2010, Orgalime issued a position paper calling for the European Commission to be flexible on the obligation for a single declaration of conformity, whilst asking to be stricter on adding to the list of formal non-conformities the missing name and address of the manufacturer/importer on the product. In addition, for the Electromagnetic Compatibility Directive, Orgalime pointed out that, as this was not a safety directive, references to safety should be avoided.

Orgalime will continue working on this issue for the next year, as following the conduct of an impact assessment, the European Commission's proposal of the alignment of the 10 Directives is expected to be transmitted to the European Parliament (EP) and Council in mid-2011. A 2-year transposition deadline is expected after adoption of the alignment package.

EUROPEAN STANDARDISATION SYSTEM

A new strategy for European Standards has been unveiled by the European Commission. It comes as part of the Europe 2020 Flagship initiatives announced in late 2010. Gone are the concerns of an overhaul of the European Standardisation System – these have been replaced with an ambition to help the European Standardisation System foster the long-term competitiveness of European industry. In particular, the Communication on the 'Innovation Union' emphasises the gap between standardisation and innovation and considers the European Standardisation System an important tool to help foster innovation and add value to research projects. The revision process is expected to touch many areas including:

- The speed of the standardisation process
- Standards & Innovation
- The use of standards for services & societal concerns
- Stimulating the higher involvement of societal stakeholders
- Acknowledging specifications drafted by ICT fora and consortia in some public contracts

A Communication is foreseen in 2011 together with a framework Regulation that will impact all sectors, including ICT and services.

Orgalime welcomes the Commission efforts to improve the

transparency of its decision-making process by publishing regular updates of roadmaps of its plans to change the EU regulatory framework. The updated roadmap, however, identifies some viewpoints on the European Standardisation System that Orgalime would challenge. We believe the transparency and efficiency of the European standardisation system can be ensured by enhanced support to its functioning at essentially, national level.

Orgalime continues to actively promote the importance standards for industry: during the year we participated in the 'World Standards Day', where the theme this year was 'accessibility for all'. We also participated in the study day on consumer safety and standardisation, organised by the Belgian Commission for Consumer Safety under the Belgian Presidency of the EU.

MARKET SURVEILLANCE

PROSAFE – the Product Safety Enforcement Forum of Europe, and its project EMARS – Enhancing Market Surveillance through best practice, have been mandated to produce a draft atlas for market surveillance authorities on electrical household appliances with a child appealing design.

While Orgalime contributed actively to the process, we were concerned that manifestly stakeholders, such as industry, were given little time to provide feedback, which made effective consultation more than usually difficult. Although industry stakeholders were invited to meetings and asked for their opinion, little of industry's input was taken into account and no counter arguments were tabled.

In November 2010, Orgalime issued with CECED, a joint position paper – arguing the case for less restrictive requirements and emphasised the subjectivity that the Atlas will introduce in characterising what is understood as 'child appealing' by different national authorities. The paper also advocated the essential role of parents in a supervisory role, whilst maintaining the manufacturers' freedom of design. Although it is not binding in character, the Atlas is expected to be adopted and used by the Low Voltage Directive working party in future.

TECHNICAL DIRECTIVES

GENERAL PRODUCT SAFETY DIRECTIVE (GPSD)

In the summer of 2010, the European Commission launched a public consultation on the review of the General Product Safety Directive (GPSD). Orgalime stated its strong belief that the revision of the GPSD is not a priority and that regulators should aim to improve the effectiveness and reduce the complexity of the current market surveillance regime by complementing, not superseding the existing New Legislative Framework. In this context Orgalime prepared a briefing note which was presented at the European Parliament's Internal Market Committee (IMCO) in September.

Furthermore, under the auspices of 'International Product Safety Week', the European Commission convened a stakeholder conference where the results of the consultation were presented. A European Parliament own initiative report by Danish MEP, Mrs Schaldemose, was welcomed by Orgalime, especially the provisions calling for a common approach to market surveillance. Unsurprisingly however, there are some areas of the report that cause us some concern, namely the suggestion that would enable the Commission to decide safety requirements for categories of consumer products and the call to align the traceability of non-harmonised products with CE marked products.

The final report, which took into account most of Orgalime's suggestions, was adopted in March 2011. On the basis of the Schaldemose Report, the European Commission has started the consultation of stakeholders with a view to revising the GPSD. This is an issue where we have been working in co-ordination with BusinessEurope and expect to go on doing so for the forthcoming future.

RADIO & TELECOMMUNICATION TERMINALS DIRECTIVE (RTTD)

This directive was subject to a public consultation again with a view to its revision. The proposal to revise the RTTD has received much attention from Orgalime during 2010 – 2 position papers were issued where Orgalime first invited the European Commission to reconsider its plan for introducing an unnecessary register of products/manufacturers, then expressed our disappointment at the high number of deviations from the New Legislative Framework. The deviations included issues such as Declaration of Conformity (DoC), the CE marking and technical documentation. Orgalime has further requested that

an impact assessment be conducted to properly assess these issues. This is a field where we have been working closely with DIGITALEUROPE and will continue to work as the draft proposal takes shape.

ELECTROMAGNETIC FIELDS (EMF) DIRECTIVE

Back in 2004, the EMF Directive (2004/40/EC) was adopted. At the time, our industry had already claimed that the adopted text was impossible to implement which proved to be the case when, for example companies were no longer able to maintain essential hospital equipment such as MRI scanners. As a result of these issues, the European Commission launched a revision of the Directive after a 4-year postponement of its implementation was agreed. The draft Commission proposal is now being actively followed by our industry in a group managed by our sister organisation CEEMET. It is expected to be adopted before the end of 2011.

CONSTRUCTION PRODUCTS DIRECTIVE (CPD)

In January 2011, the revision process of the Construction Products Directive culminated with the European Parliament adopting a compromise text that led to the adoption under the internal market rules of the new Regulation for Construction Products. Orgalime was on the whole, satisfied with the outcome – it is an area of product regulation which our companies have long been considered as one of the most complex, difficult and costly to apply. Orgalime feels that the agreement reached in the European Parliament during second reading went in the right direction, in particular for the issues surrounding the Declaration of Performance, its content and its administration.

However, Orgalime was disappointed not to see the deletion of articles 37 & 38 concerning the use of simplified procedures by micro-enterprises, which in our opinion, would have avoided discrimination between competing companies and a lower level of confidence of the CE marking.

MACHINERY DIRECTIVE (MD)

During the summer of 2010, the European Commission published the second edition of its guide on the interpretation of the Machinery Directive. If today only a few language versions are available, the guide will soon be available in all the Community languages; nevertheless, so as not to risk endless discussions arising from interpretation of translations,

only the English language version is considered as original. Orgalime remains active in this area and is focusing efforts on answering interpretation questions posed by members.

PRESSURE EQUIPMENT DIRECTIVE (PED) & SIMPLE PRESSURE VESSELS DIRECTIVE (SPVD)

These technical directives have been the subject of alignment to the requirements of the New Legislative Framework. Orgalime had submitted a proposal of text for the draft alignment of the SPVD, as this had not been foreseen in the first draft provided by the European Commission. In late 2010, revised texts were presented by the Commission along with a proposed timetable that will see these directives added to a package of 10 technical directives undergoing alignment to the New Legislative Framework. A final adoption is currently foreseen at the beginning of 2012. This should be followed by a period of 2 years for member states to integrate the directives into national law.

Orgalime has been busy with PED guidelines too. 'Own brand labelling' was proposed by Orgalime and accepted and adopted by the Conformity Assessment Body Forum (CABF), thus becoming a CABF recommendation.

The subject of the use of standards within the pressure equipment sector also received the attention of Orgalime during the year. The European Commission has proposed to launch a survey on the use of European standards in the field

of Pressure Equipment in order to assess the level of distribution and knowledge from companies of the use of these standards. A draft questionnaire for this purpose was jointly prepared by Orgalime and CEN.

GAS APPLIANCES DIRECTIVE (GAD)

Orgalime has issued several position papers during the year addressing the possible revision process of the Gas Appliances Directive (GAD). These positions essentially concentrate on the proposed extension of the scope, which should no doubt lead to a far wider range of equipment falling under the directive. Now that the decision has been taken on the future revision of the directive, Orgalime expects to continue working on this issue until well into 2012.

EXPLOSIVE ATMOSPHERES DIRECTIVE (ATEX)

Orgalime activities particularly focused on the alignment of this technical directive to the New Legislative Framework. The latest proposed draft text from the European Commission was issued at the end of 2010. Orgalime has monitored the process and intervened when appropriate.

Orgalime has also participated in the ECs standing Committee and Working Group on ATEX. The main topics of discussion were the following: the guidelines on the implementation of the Directive, the relation between ATEX and Directive 1999/92/EC (the so called ATEX directive at the workplace) and the status of harmonised standards.



**“REGARDING INDIA, WE ARE PARTICULARLY
KEEN TO SEE AN FTA WITH BROAD PRODUCT
COVERAGE WITHOUT ANY EXEMPTIONS.”**



TRADE



ŽELJKO PAZIN



JACKIE ANDRÉ

ORGALIME DELEGATION VISITS TRADE COMMISSIONER KAREL DE GUCHT

Given the central role that trade plays for our industry – the largest manufacturing exporter in the EU – an Orgalime delegation led by Orgalime President Richard Dick met the new Trade Commissioner Mr. Karel De Gucht. The aim of the meeting was to provide the Commissioner with an overview of our main interests in current trade topics.

China was high on the agenda, as it grows in importance for European engineering in many ways: as an export market, as an investment location, as a production site and as a competitor. The Commissioner listened to our expectations that the EU and China need to work together on the fundamental principles of open markets, on transparent non-discriminatory regulation and on the respect for intellectual property. In the long run European industries wish to see compatibility, if not alignment of Chinese and EU legislation in such areas as environmental and energy legislation, as well as in the area of standardisation in line with the developments in international standards in new technologies in the area of e-mobility and smart grids where our industry is active in China through the EuropElectro office (set up by our member ZVEI), at the international level as well as in Europe.

For European engineering companies, Chinese conformity assessment procedures and the Chinese standardisation system still constitute a significant challenge. Both the Commission services and our member associations have been working on easing procedures for many years and,

although progress has been made, we are still not satisfied. Many products made by engineering companies fall directly or indirectly within the scope of the China Compulsory Certification (CCC) scheme and, in order to be granted market access, European companies have to invite Chinese inspectors to their production sites, even if the product meets all technical requirements. At the same time, however, Chinese companies can more or less freely export to the EU and, when it is required, can usually rely on local testing and so do not need any external certification to gain access to the European market. Both sides would also benefit if China implemented and applied international standards. It is unfortunately still too often the case that Chinese standards deviate from internationally accepted standards, which means that special modifications or additional test procedures are required for European products.

Another area where we see little progress is the respect for know-how and intellectual property rights. In recent years, China has amended its trademark, patent and copyright laws to comply with the TRIPS and other international agreements. Nevertheless, effective protection of intellectual property remains, at the very least, challenging in China. Furthermore, many rules and practices are incomprehensible for European companies: for example, for equipment supplied in the plant construction sector, European companies are required to collaborate with Chinese design institutes and to disclose very sensitive IPR-relevant information. Orgalime also calls for the elimination of unfair Chinese practices and regulations which compel foreign firms to transfer technology, be it by law or

by pressuring them into joint ventures with Chinese firms. In principle, transfer of technological know-how is to be welcomed in the context of China's development. However, this can only be a basis for business when it is carried out voluntarily.

BILATERAL FREE TRADE NEGOTIATIONS (FTA)

Throughout 2010, this has been an area where the Commission has been very active: with the WTO Doha discussions still far from any conclusion, bilateral trade agreements have been very much on the EU's agenda.

Negotiations with South Korea have been concluded and a deal signed at the EU-Korea summit in October 2010. Provisional application of this agreement has been set for 1 July 2011. The agreement will remove import duties and many non-tariff barriers and it also covers intellectual property, public procurement, competition policy, trade and sustainable development. The European Commission expects that once the duties are fully eliminated, EU exporters will save some €1.6 billion annually and will gain better market access.

The EU-Latin American Summit in May 2010 resulted in the decision to re-launch negotiations with MERCOSUR (Argentina, Brazil, Paraguay and Uruguay). The Summit also settled the conclusion of a comprehensive trade agreement between the EU, Peru and Colombia that will be initialled after undergoing legal review; the deal includes manufactured products, services, and investments in the two regions. In addition, talks with Canada, Malaysia, Singapore and India all took significant steps forward. Orgalime was consulted by the Commission on the 'rules of origin' during the talks with Canada.

Regarding India, an important market for our industry, we have provided regular input, but still have to see substantive progress in negotiations. We are particularly keen to see an FTA with broad product coverage without any exemptions. For our industry, a deal must not foresee a negative list which enables India to keep tariffs on specific products.

'MADE-IN' BACK ON THE AGENDA!

The European Commission proposal of obligatory marking of origin of certain goods imported into the EU that was adopted by the European Parliament in the autumn of 2010 came back onto Orgalime's agenda as a handful of engineering products fell into the scope of the text. Most of the business community has been against new marking of origin legislation, with some exceptions depending on the sector and sub-sector of industry. The vast majority of the engineering industry and of other EU sectors believe that changing existing legislation would not have a positive effect.

US LEGAL ACCOUNTABILITY ACT FOR FOREIGN MANUFACTURERS

Orgalime has been following the proceedings leading to possible new US legislation that could potentially increase the cost of exporting products to the US, especially for European SMEs. The legislative draft envisages that foreign manufacturers would have to register an agent in at least one State in order for them to accept responsibility for civil and regulatory claims. The European Commission has been alerted to the situation. Eventually, the US Administration refrained from passing this new bill.

RESEARCH & DEVELOPMENT AND INNOVATION

IMPROVING CONDITIONS FOR COMPANIES TO PARTICIPATE IN PUBLICLY FUNDED PROJECTS FOR RESEARCH & DEVELOPMENT AND INNOVATION

While the EU's R&D Framework Programme 7 has reached its mid-term, discussions about how the R&D and innovation landscape will look like in future – after the current

Framework Programme 7 (FP7) expires at the end of 2013 have started. Orgalime's role in this is to ensure that the position of the engineering industries, where many sectors maintain a significant technological lead worldwide, is fully supported by the institutions.

There is a consensus among industry and authorities that the current funding landscape is too complicated (different rules for FP project, for CIP projects, for JTI projects, for the EIT, for structural and cohesion funds, etc...) and that the EU needs a more coherent and effective framework of public funding for research and innovation.

In November 2010, Orgalime outlined in a position paper industry concerns and issues regarding FP7, including the overwhelming bureaucracy, the low success rates (compared to national schemes), the complexity of different intervention mechanisms and funding schemes and the difficulties of the SMEs and 'mid-range' companies to access EU R&D funding schemes. Orgalime also expressed its disappointment concerning collective research; research for the benefit of associations, as well as concerns regarding the fragmentation of the Commissions departments, are also addressed.

Although these reasons have led to the decline in industry participation in European funded programmes, Orgalime is nevertheless of the opinion that it is still worth investing in European R&D and innovation projects. A number of improvements and simplification exercises are under way. In December 2010, the European Parliament adopted a resolution simplifying the implementation of the Research Framework Programmes. The Parliament generally supports the initiative for administrative and financial simplification in order to achieve a more trust based and risk tolerant research funding – as has been suggested for a long time by industry.

Orgalime also offered suggestions to the Commission regarding future European R&D and innovation policies in order to attract increased participation of industry: suggestions included a more focused allocation of funds, further testing of new methods such as Joint Technology initiatives (JTIs) and Public Private Partnerships (PPPs) and ways of improving SME access to the next Framework Programme.

Orgalime's suggestions were presented to the Director General of DG Research, Mr Robert Jan Smits, in January

2011 who thanked Orgalime for its input and encouraged Orgalime's members to stay involved in the discussion on the future of EU funding for R&D and innovation. Throughout 2011 and 2012 negotiations will continue between the European institutions on the future of EU funding beyond 2013.

ORGALIME PRESIDENT IS KEYNOTE INDUSTRY SPEAKER AT INDUSTRIAL TECHNOLOGY CONFERENCE

Orgalime President, Richard Dick was one of the keynote speakers at the Industrial Technology Conference, co-sponsored by the European Commission and the Belgian EU Presidency. Focusing on production technologies, nanotechnologies and nanosciences, the aim was to establish dialogue between industry, academia and public administrations. Mr Dick's speech concentrated on the challenges that European manufacturing companies face when trying to access EU research programmes.

PPPS AND SPECIFICALLY FACTORIES OF THE FUTURE PPP

In July 2010, Orgalime participated at an information day for the European Union's Framework Programme 7 (FP7) on current Public Private Partnerships (PPPs). Themed around energy efficient buildings, factories of the future and green cars, the event aimed to inform participants about the progress of research PPPs.

In November 2010, the European Commission organised a workshop spotlighting the Factories of the Future Public Private Partnership (FoF PPP). Discussions centred on current projects, expected impacts and future developments. Representatives from industry, EU institutions, public and private research centres and academia gathered to hear about 25 projects of the Factory of the Future PPP in the first calls. During a panel discussion, Orgalime which initiated the setting up of the European Factories of the Future Research Association (EFFRA), was able to explain to the audience the advantages of the projects, highlighting better coordinated priority setting, more efficient interaction with the European Commission and higher success rates.

LEGAL & GENERAL

EUROPEAN CONTRACT LAW – NO THANK YOU!

For over a decade, the European Commission has been trying to promote the 'urgent' need for a new European Contract Law. On the B-2-B front in particular, Orgalime again reaffirmed its belief that there is nothing to be gained from a new 'European Civil Code'. Orgalime is of the opinion that the starting point of the Commission and academics, namely believing that different contract laws create significant problems in cross-border trade, is just not correct. For decades companies have been making cross-border sales on a daily basis, most of the time without any legal assistance. Indeed, many sectors of the European engineering industries export as much as 80% of their output – sufficient proof to say the cross-border trade functions well enough. Orgalime is thus against most options presented in the Commission Green paper on the way forward, for example the development of an optional EU 28th system (which would co-exist beside the 27 national systems), let alone the development of an obligatory system. Thanks to the freedom of contract principle and to the possibility of using self-developed contracts or other standard contracts and general conditions such as those produced by Orgalime, European engineering companies are coping very well with the different national legal systems. Orgalime has asked the European Commission not to take any hasty decisions and to consult closely with legal experts from industry.

COMPETITION RULES – CLEARER RULES THANKS TO ORGALIME'S INTERVENTION

Orgalime led a coalition of trade associations expressing concerns about the legal uncertainty that the draft chapter on information exchange of the draft guidelines on competition rules could bring. The position paper highlighted that the guidelines were vague and unclear, making collecting and utilising data on the economic climate problematic at best. The paper was well received by the European Commission and the Orgalime-led coalition was invited to present its views at meetings. A revised document was issued by the European

Commission which takes account of our concerns. The new guidelines came into force on 1 January 2011.

EU PATENT – MOVING FORWARD

After years of discussion and, for the most part, disagreement, a proposal for a European patent allowing companies to obtain a patent with a single application (thus reducing costs and administration) has started to move forward again and looks increasingly likely to happen. An infrequently called upon mechanism – 'enhanced cooperation' – would allow countries that support the proposal (not all 27 EU member states – the stumbling block has been language) to apply. It is envisaged that a unified patent title will enhance Europe's competitiveness vis-à-vis the US, Japan and other Asian competitors.

ANTI-COUNTERFEITING

In June, Orgalime sent the European Commission our industry's views in the framework of a consultation on the role of customs and market surveillance authorities in their fight against counterfeiting and piracy. The position paper highlighted relief that this essential issue was under review and in particular urged the European Commission to seize this unique opportunity to introduce better cooperation mechanisms between customs and market surveillance authorities. It is clear that only better policing of the market will deter criminals and therefore the issue of market surveillance will remain an area of major focus for Orgalime in the coming years.

Orgalime moreover continues to be active in the EU Observatory on counterfeiting & piracy, which was set up in 2009 by the Commission following demand from the private sector and with the support of the Council and the Parliament. The Observatory, in its different working groups, deals with data collection, analysis and reporting, the promotion of best practices among public authorities, spreading best practices throughout the private sector and strengthening actions related to public awareness

of the negative effects of counterfeiting in the internal market.

CONSUMER RIGHTS DIRECTIVE

The Consumer Rights Directive issue is ongoing, with updated versions of the Directive being discussed in the European Parliament as a balance of interests between the different stakeholders is still to be reached. Since Orgalime issued a position paper in 2009 on the Commission's proposal for a new Directive commenting on the dangerous

consequences of some of the suggestions such as warranty periods, Orgalime has been closely following the subject and has met the European Parliament's Rapporteur and Commission officials that are working on the Directive.

This Directive is an important issue for Orgalime as new legislation covering contentious issues such as remedies, warranties and other sensitive subjects could burden SMEs with additional costs as well as increasing legal uncertainty.

ENVIRONMENT, ENERGY & CLIMATE CHANGE POLICY



SIGRID LINHER



ANNE-CLAIRE RASSET



DEBORAH GIRASA



ANNE-LOUISE PICARD

In a broad policy paper issued in May 2010, which complements our industrial policy vision ("Manufacturing matters") Orgalime highlighted the priorities that it sees for the policy areas of Environment, Energy & Climate Change for the period 2010-2014 and underlined our industry's core requests to arrive at a sustainable policy, based on a mix of policy instruments, both, legislative and voluntary.

This paper is issued against the background of the industry's experience of a wide range of Community legislation affecting the industry and in particular the experience gained from the recent implementation of the RoHS, WEEE and Eco Design Directives as well as the REACH Regulation. Orgalime therefore advocates for the application of the following principles when considering environment, energy, climate change policies applying to our industry:

- A scientific based approach subject to a thorough impact assessment
- Proper stakeholder consultation
- More coherent and consistent legislation
- Clear policy objectives, sufficient flexibility and realistic timetables for implementation
- Policies to support sustainable industry initiatives and technology solutions and to encourage the uptake of available sustainable technologies
- Securing of the functioning of the internal market, better enforcement and market surveillance
- The support for New Legislative Framework (NLF) for environment policy
- The consistent application of the 'Think small principle'.

Over the past year though and despite the support at a political level for the application of many of these principles which underpin Better Regulation, the results on the ground in a number of areas – and in particular in the recast of the WEEE & RoHS Directives – leave a lot to be desired.

EUROPE 2020 INITIATIVE – ENERGY 2020

A Communication issued by the European Commission in November 2010 (one in a series of strategic documents defining EU energy policy), defines the energy priorities for the next 10 years and sets the actions to be taken to tackle the challenges of saving energy, achieving a market with competitive prices and secure supplies, boosting technological leadership, and effective negotiations with international partners. This is an overarching document containing the following 5 priorities which are progressively being built upon through a series of Communications and action plans being issued in 2010 and 2011:

- Developing an energy efficient Europe
- Building a pan-European integrated energy market
- Empowering consumers & achieving highest levels of safety and security
- Extending Europe's leadership in energy technology & innovation
- Strengthening the external dimension of the EU energy market.

In view of the Energy Efficiency plan 2011, the European Parliament issued an 'own initiative report'. Orgalime was very satisfied with the majority of provisions (many of which reflect the views we expressed in the 'Electra' report) although concerns remain over the suggestion that the Eco design Directive should cover a wider array of products. Given the role our industry's technologies play in this area, Orgalime supports ambitious EU actions on Energy Efficiency. In March 2011, Orgalime issued a position paper to contribute to shaping the EU's energy efficiency policy. In the Electra report and follow up positions, we have called EU institutions to put forward the following elements and actions for a successful energy efficiency policy:

- Ambitious targets for the renovation of buildings, existing and new
- A systematic use of energy performance contracting
- The promotion of thermal insulation and use of high efficiency equipment, active control systems, such as

automation, control and monitoring systems

- Investment in and use of smart grids and smart metering technologies
- A better dissemination of already available innovative technologies and products
- Case by case decisions on whether to apply a product or a systems approach for the implementation of the Eco Design Directive depending on the targeted product group
- Investment plans of the public sector in public infrastructures, buildings, transport and smart cities
- A better consideration of energy efficiency aspects in public procurement
- Creating a flexible and intelligent energy system with a high level of security of supply and including both high efficiency conventional energy generation, as well as an efficient integration of sustainable technologies, such as, for example, wind power, solar panels, biomass, electric vehicles or heat pumps
- Fostering research and innovation and the dissemination of already available innovative technologies, i.e. through the financing of the 'SET-plan'
- Raising the awareness of end users and fostering the education of all actors, from consumers to the whole business chain and associated services, such as installation and maintenance
- The development of benchmarking and sharing of good practices.

With work moving ahead in a number of these areas, Orgalime will of course continue to ensure that our industries are well represented when formulating these strategic political initiatives and the implementation of the action plans. At the same time we will be working on the update of the Electra report which will be back on the political agenda for early 2012.

CLIMATE CHANGE – COPENHAGEN, CANCUN...

The climate change talks that took place in Cancun at the end of 2010 led to what were viewed as a set of significant decisions by the international community to address the long-term challenge of climate change collectively and comprehensively over time and to take concrete action now to speed up the global response.

Orgalime, however, feels that the discussions on climate action, while they are intense, complex and highly political,



“GIVEN THE ROLE OUR INDUSTRY’S TECHNOLOGIES PLAY IN THIS AREA, ORGALIME SUPPORTS AMBITIOUS EU ACTIONS ON ENERGY EFFICIENCY.”

rarely lead to exploring what the opportunities are to drive on the ground: we feel that the opportunities for progress offered by adopting existing technologies need to be taken up. The Electra report clearly demonstrated that the achievement of the EU's 20/20/20 targets would already be possible with existing technology. However, to date there are hurdles that prevent sufficient market response to such equipment. Also, in the buildings sector, where 80% of the housing existing in 2020 is already built, the recent recast of the Energy Performance of Buildings Directive could have been more ambitious.

Whilst Orgalime of course acknowledges the EU's responsibility to drive climate action, there is the risk that the EU's ambition – especially when policy demands standalone activities and commitments – can easily lead to an unwelcome loss of manufacturing capacity in Europe, which our economies can ill afford. Moreover, this comes at a time when growth and the employment it generates are surging ahead in other parts of the world, while the economies of many countries in the EU are suffering. In our input for the Commission's consultation on the 2011-2020 energy strategy, we therefore reaffirmed our belief that:

- To prevent so-called 'carbon leakage' it is vital that existing legislation is implemented properly. For the EU Emissions Trading Scheme, this implies the allocation of emission allowances based on appropriate methodologies.
- At an international level, the EU should focus on building alliances for a comprehensive global agreement on climate change. Countries receiving financial support for climate change adaptation and mitigation measures should agree to international monitoring of their greenhouse gas emissions.
- The EU should not alone commit to an increased emission reduction goal if other developed countries do not commit to similar efforts.
- Cost effective measures with short pay-back-times should be taken first. As part of its climate change strategy, the EU should create the appropriate framework conditions and encourage investment in technologies that would contribute to growth in production and jobs in Europe. A revised EU strategy on climate change should focus on providing opportunities for European business to be world leaders in environmentally sound technologies developed in Europe and marketed globally, for example by:
 - Encouraging private consumers, industry and the public sector to take up energy efficiency solutions using already existing advanced technologies, through ensuring more innovation-friendly market framework conditions, fiscal incentives and regulatory approaches.
 - Developing breakthrough technologies and markets for carbon intensive processes and products which can be applied worldwide, leading to major global emission reductions. In order to deliver this technological leadership, a significant increase of financial support in R&D, pilot and demonstration projects within the EU is needed.
 - Europe needs to direct investments to sustainable technologies: for example, the 'SET-plan' needs to be sourced with a sufficiently high budget, or revenues coming from the CO₂ auctions should be directed into investments in sustainable technologies.

SUSTAINABLE INDUSTRIAL POLICY (SIP) AND SUSTAINABLE CONSUMPTION & PRODUCTION (SCP)

Since the end of 2008 and the introduction of the SIP-SCP Action Plan, which consisted of a series of proposals on sustainable consumption and production that will contribute to improving the environmental performance of products and increase the demand for more sustainable goods and production technologies, progress has indeed been made in several areas. The engineering industry provides the enabling technologies for achieving energy and resource efficiency on a very broad basis (from production, to distribution and to consumption). Furthermore, the sector also provides technology solutions directly aiming at improving the environment, for example: equipment for the promotion of renewable energies, waste water treatment facilities or agricultural technology. Thus, this industry provides technological solutions to the challenges that the climate change, sustainable consumption and production and energy security agenda pose.

ECO DESIGN DIRECTIVE

Now well into the implementation phase, the Eco Design Directive addresses all environmental aspects of Energy related Products (ErP) throughout their whole life cycle, from cradle to grave, which we support. Orgalime has participated as an observer to the Eco Design Consultation Forum and newly created Eco Design Working Group, which meets regularly to discuss possible Ecodesign and

labelling requirements for a series of product groups as well as general implementation issues. While efficiency requirements for ten products of our industries, such as TVs, household washing machines and dishwashers, have already been adopted, additional measures are under way, for example, for boilers, water heaters, computers and fans. In November 2010, the European Commission launched a study on the next working plan under the Eco Design Directive. Results should be available in the autumn of 2011. The study aims at providing the necessary background analysis for identifying the next targets, including setting out an indicative list of candidate product groups. It should allow the Commission to establish the final list of products to be targeted in the period 2012-2014. In 2011, Orgalime is carefully monitoring and providing input into the establishment of the next working plan.

There is concern that the envisaged 2012 review of the recently recast Eco Design Directive could again see an extension of the scope of the Directive, which could easily impact the ongoing implementation process for 'energy using products' – the first targets under the Directive. The implementation process of the existing Eco Design Directive should not undermine the efforts and investments taken by our industry, whether voluntary or mandatory through various implementation measures.

SUSTAINABLE USE OF RESOURCES AND RESOURCE EFFICIENCY FLAGSHIP INITIATIVE

In the first half of 2011, the Communications on Raw Materials Initiative and on Resource efficiency have been presented. Sustainable use of resources is considered increasingly important in the context of the EU's Sustainable Consumption and Production policy and is also addressed by one of the Commission's flagship initiatives under the EU 2020 strategy. A Resource Efficiency Roadmap is to be presented soon. In our view, resource efficiency, as one parameter of the environmental performance of a product, should not be taken in isolation from other environment aspects related to the product (for example, energy efficiency, substance use or waste generation), since undesired consequences can arise: for example, the amount of copper used in electric motors immediately impacts the energy efficiency performance of the motor. Action on resource efficiency of products should also take into account further relevant product performance and in particular safety characteristics to guarantee the fitness for purpose of the product. Therefore, when improving resource efficiency of products, a life cycle approach is most important to avoid adverse environmental effects. Likewise, all three pillars of sustainability including socio-economic considerations, need to be considered in order to avoid disproportionate negative consequences on the economy or on society.



LABELLING AND GREEN PUBLIC PROCUREMENT

The debate continues on the issue of greening public procurement and the role that among other labelling plays here: at the level of labelling Orgalime believes that not only the EU Eco Label but equally the Energy Label should be considered a reference when determining criteria for green public procurement. The Eco Label is still too limited in use to foster the necessary and urgent change of consumption patterns, while the Energy Label is much better known by consumers and has already delivered results. Furthermore, Orgalime believes that carbon footprint labelling cannot be used for all products, especially not for complex products consisting of many different components. We are particularly worried about the feasibility of using carbon footprint labelling on the products that we manufacture. While a multiplication of labels risks confusing the consumer, there is no acknowledged methodology for measuring the CO₂ footprint of as complex products as mechanical, electrical and electronic engineering products.

WASTE ELECTRONIC & ELECTRICAL EQUIPMENT (WEEE) & RESTRICTION OF HAZARDOUS SUBSTANCES (ROHS)

If the number of position papers and press releases is anything to go by, the WEEE & RoHS recast proposals have been at the forefront of attention for the Environment team! With some 15 positions on the issue to date, in addition to continuous meetings and discussions inside the industry and with European policy makers, it is a clear indication of the importance to European engineering industries that these dossiers have. The recasts, which were meant to improve the existing legislation, have barely given industry the time to implement the measures that the original legislation required and now threaten to increase financial and administrative burdens while also leaving industry feeling uncertain and in legal limbo in many areas.

WASTE ELECTRONIC & ELECTRICAL EQUIPMENT (WEEE)

The recast of WEEE has now passed through the hands of 6 EU Presidencies and there is still more work to be done before final adoption. In 2010, the Spanish and Belgian Presidencies started the discussions. In June 2010, the Environment Committee (ENVI) of the European Parliament voted on amendments to the proposal in first reading – many of which were in line with the details contained within Orgalime's position paper. However, with a second reading in the pipeline, the general outcome is still uncertain. Orgalime's concerns surround the issues of scope, collection rate, financing of collection and legislative

consistency as such. By the time the Hungarian Presidency were at the helm in January 2011, scope and related scope categories, the reference base for collection rates, recovery targets, and the strengthening of enforcement, such as through the appointment of a legal representative, continued to worry Orgalime's industries. In February 2011, the European Parliament adopted its first reading report, which addressed some of the previous concerns. However, the proposed scope and product categories still leave industry in legal limbo.

In late February, ahead of the Environment Council meeting scheduled for mid-March, a joint industry letter, co-signed by 10 associations – manufacturers of all equipment falling within the scope – was sent to the President of the Environment Council, to Commission Vice-President Tajani and to Commissioner Potočník. The letter reiterated the industry's sensitivities and stressed that the recast of course needs to be workable.

Far from being perfect, the Council reached, at the March Environment Council, a delicately balanced agreement on the WEEE recast proposal. Throughout the second reading, Orgalime will therefore continue bringing forward what it perceives as necessary prerequisites for this proposed change in legislation to be workable and enforceable in practice. This would, in our view, require:

- A harmonised and closed scope for the WEEE Directive itself that improves legal certainty and predictability and is based on environmental relevance of included product groups – in particular, we cannot see any advantage in restructuring the targeted product categories
- A collection rate that applies on Member States and is calculated on the basis of 'WEEE generated' instead of 'equipment placed on the market'
- Setting limits to the rules for financing of WEEE collection to secure cost efficiency
- Better harmonised registration and reporting procedures
- Drying out illegal waste shipments while securing legal shipments for the purpose of repair, refurbishment or upgrade of equipment during the warranty period and beyond
- Better enforceability and enforcement of the Directive, such as via a legal representative.

This is therefore an issue that will remain high on our agenda for the coming year.

RESTRICTION OF HAZARDOUS SUBSTANCES (RoHS)

As for WEEE, the RoHS recast has been on the agenda for the best part of 3 years. Unlike WEEE, this recast has progressed marginally faster. The European Parliament and Council finalised the recast with an agreement in first reading in November 2010. In the build-up to the deal, Orgalime submitted position papers voicing the disquiet of our industry. Our wish list for an ideal recast was long; however realising that compromise was necessary to make this legislation truly workable and in the future provide legal certainty to companies, Orgalime was bound to stress that there was continued unease about the following proposals tabled during the legislative process:

- The extension of the scope of the RoHS Directive to all electrical and electronic equipment in the absence of any impact assessment
- The proposal to introduce new substance restrictions in the absence of scientific evidence and/or impact assessment
- The unequal weight of criteria for granting RoHS exemptions and the significant impact of the RoHS recast on some sectors which need exemptions for specific applications
- The introduction of a RoHS substance evaluation methodology independent from the REACH Regulation
- Insufficient consistency between RoHS exemptions, REACH authorisation, and REACH exemptions from authorisation
- The way of aligning the RoHS Directive with the New Legislative Framework (NLF)

Regulators need to remember that the original RoHS Directive was designed to deal with issues arising from the use of certain substances in consumer goods. This was before the REACH Regulation and the Eco Design Directive were adopted, which both deal with substances used in our products and with all phases of a product's life cycle. The recast RoHS Directive was finally adopted in April 2011 and is now moving to transposition in Member States and implementation in companies. Many implementation issues are still open, including details on the scope, the filing of exemption requests, compliance with substance restrictions or the new obligations arising from the New Legislative Framework, such as affixing the CE marking. This is on Orgalime's radar now and our industry is already drafting guidance in order to facilitate the task of companies who have to make the new legislation work on the ground. This will be issued in 2011.

REGISTRATION, EVALUATION, AUTHORISATION AND RESTRICTION OF CHEMICALS (REACH)

For the last year and a half, the focus of Orgalime and of companies has been on implementing this legislation as successive deadlines are reached. The European Chemicals Agency (ECHA) has been reviewing guidance documents and developing new ones. Orgalime has been heavily involved in this process, both in producing regularly updated guidance for downstream user and article producer (see the Orgalime guide available at <http://publications.orgalime.org/>) and through attending meetings of the CARACAL (Competent Authorities for REACH and CLP) as well as the newly launched Director's Contact Group.

With the Regulation in force, the debate has continued about points of interpretation, such as the 0.1% substance threshold that triggers communication (Article 33) and notification (Article 7.2) requirements for substances in articles, where our interpretation was confirmed by the European Commission's legal services in spite of the resistance of a number of Member States.

Orgalime is also following the inclusion of Substances of Very High Concern (SVHC) in the Candidate List, as well as the various amendments of Annex XIV (authorisation) and Annex XVII (restrictions).

Orgalime are now gearing up for the work foreseen for the 2012 review of the Regulation and are contributing to ongoing studies, which aim at evaluating the impact of the REACH Regulation. During the summer Orgalime contributed to this process in the area of evaluation of the scope through a position paper highlighting the problems of 'overlap' between the horizontal chemical legislation, namely the REACH Regulation, and several other pieces of EU legislation affecting our industries, including both product directives, as well as other environmental legislation, such as the RoHS Directive. We are of course concerned to avoid the legal uncertainty, administrative burden and costs that arise from overlapping and duplicated legislation. These only make it more difficult for both companies and regulators to apply legislation thereby often undermining the environmental objectives pursued.

INDUSTRIAL EMISSIONS DIRECTIVE (IED)

Late 2010 saw the adoption of the new Industrial Emissions Directive. The IED replaces the former 'IPPC' Directive. Orgalime which actively followed the revision process focused all along on the following:

- Adjusting the scope of the directive to environment relevance as well as technical and economic feasibility
- Maintaining the necessary level of flexibility for the application of Best Available Techniques Associated Emission Level Values (BATAELs) while preventing misinterpretations
- Achieving workable obligations related to soil remediation and site closure

- Achieving a realistic system of environmental inspections and an environmental inspection plan that should cover all installations, including the frequency of inspections of an installation; a number of criteria to apply in this context, such as the criterion whether or not the installation participates in the Community Eco Management and Audit Scheme (EMAS) whereas our industries often use prefer to use the more widely accepted international standards.

Now that the implementation of the recast IED Directive is ongoing, Orgalime will once again focus on the future of the Seville process and the role and contributions of experts.



COMMUNICATIONS

COMMUNICATION – A SKILLS COCKTAIL!

“Communications is a special kind of job. One can learn the technical skills, the latest best practice, and study the subject academically at university; but the psychology of it – the ability to listen, persuade and influence – is in your personality.”

YVAN DEURBROECK, VP INTERNATIONAL COMMUNICATIONS, MEDTRONIC

So true! And it is these very attributes that Orgalime is pursuing (throughout the organisation, at every level) to engage the ‘decision makers’ and thereby hopefully ensure that the engineering industries remain the backbone of the European economy. Without a successful manufacturing sector, the very manner of dealing with the societal changes of the 21st century is challenged. All three attributes are equally weighted in terms of importance, however if you ignore one, then you clearly cannot formulate a way of dealing with the others.

For us to be effective (i.e. persuade and influence), it is not only important to provide our target audiences – political decision makers – with the information they need but also to understand how they do their listening. That means finding out the habits of decision makers, understanding their research avenues and making sure that we have a presence in the different communications channels available. The 2nd Fleishman-Hillard European Parliament digital trends survey indicated the rising importance of social networks. And here we believe we are making progress year by year.

75 countries from around the globe are consulting the Orgalime public website – the primary portal for any organisation. Whilst our target audience is predominantly based in Europe and in particular in Belgium, the outreach is encouraging – our messages are interesting a more diverse market. Why is this important? Because our legislation and our influence on it affect not only our businesses, our employees and our citizens in Europe, but also businesses worldwide.

Our output? Well, this is simple. We aim to provide a coherent set of key messages using different communication tools at the right time, aimed at a wide range of target groups. And these tools are developing for companies and associations too: our presence in social media has increased by 50% in 2010 and has now extended to Facebook. Testing the water with a blog 3 years ago, Orgalime has an influential Twitter account as well as being present on You Tube and other social media sites in Europe and the US.

External events have continued to be a feature of our strategy in 2010. Orgalime has teamed up with the European Forum for Manufacturing and hosted several roundtable discussions in the European Parliament, the latest of which (*‘Resources, Raw Materials, Green Public Procurement & Manufacturing’*) took place in December 2010. This is proving to be a valuable avenue of direct communication which complements our more traditional workshops and events.

So communication continues to play an ever growing role where each and every staff member of Orgalime must keep his/her ear to the ground (*listen*), so that a valid argument can be built (*persuade*), allowing the organisation as a whole to present and convince the benefits a healthy European engineering sector will bring to the economy (*influence*).



MARK REDGROVE



MAGDALENA WAWRZONKOWSKA

ORGALIME PUBLICATIONS

In 2010, Orgalime kept up with its tradition of issuing legal publications that help industry draw up adequate business contracts and give practical advice on frequently occurring legal questions with the **Model Contract for Technical Work on Site** and the **Code of Conduct for Associations**.

The **Model Contract for Technical Work on Site** has been issued in English and German. It replaces the 'General Conditions for the Provision of Technical Personnel Abroad' of 1995 and consists of two versions of the contract for technical work on site: one for a lump sum payment and the other for payments on a time basis according to a schedule of rates. This publication is primarily intended to be used when the contractor's personnel perform technical work at the customer's premises.

The **Code of Conduct** published last June is proving to be a clear success: over a dozen associations have already adopted it. The Legal Group edited the Code in order to provide clear rules to associations and companies on what may and may not be discussed under competition rules and therefore limit the risk of being fined by competition authorities. These rules are now used as Orgalime's Code of Conduct for all members and other participants working on an Orgalime platform.

The Legal Affairs Working Group's work on publications in 2010 has been mainly devoted to the update of the S2000 and SE01 general conditions, our bestsellers which have sold well over a million copies and are also the most popular electronic licences in Orgalime's publication since their issue a decade ago. The new versions are planned for 2011.

ORGALIME'S LICENSING WEBSITE NOW IN 4 LANGUAGES

Orgalime's **licensing website** which is the platform providing access to companies for our general conditions used in an electronic version is now also available in French, German and Finnish. This has been achieved with the help of our member associations, and we are now offering to French, German and Finnish speakers the possibility to register and order licensed general conditions in their own language.

The sales figures for the licensing website are year on year gaining ground since it was set up 7 years ago. The last two years have especially seen a sharp rise in the orders of licences to use Orgalime general conditions as more and more companies of the engineering industry value these standardised contracts edited by Orgalime that facilitate business relations between companies. In future we hope to extend this added functionality to other languages used by our customers.

ORGALIME PUBLICATIONS

All publications are available in English, French and German unless otherwise stated. Details of these publications can be found on our website at www.oralime.org.

Information on our licence agreements can be found on <http://licensing.oralime.org>

MODEL FORMS

- Agency Contract – International agency contract on an exclusive basis – January 2002 (5)
- Exclusive agreement with distributors abroad – June 2006
- International technology licence agreement (Inside EU/EEA version) – January 2005
- International technology licence agreement (Outside EU/EEA version) – June 2006
- Original equipment manufacturer contract (OEM contract) – August 2007
- Consortium agreement – February 1995
- Non-Disclosure Agreement – January 2008 (9)
- Model Contract for Technical Work on Site – January 2010 (2)

GUIDES

- Drawings and technical documents – Ownership and protection against improper use – June 1993 (3)
- Guide for drawing up an international development contract – September 1999 (2)
- Security for payment in credit sales – December 1999 (3)
- Guide on S 2000 – September 2000 (2)
- Understanding WEEE & RoHS Guide – April 2003 (3)
- European Competition Law in Practice – 30 key points – May 2004 (2)
- Co-operation Agreements: A short guide to the creation of a joint venture – June 2004 (3)
- Guide to Defect Liability in Europe – April 2005 (3)
- Guide to contractual options for B-2-B equipment under WEEE – March 2006 (3)

Guides available for free download from our publications website <http://publications.oralime.org>:

- WEEE & RoHS Scope Guide – January 2006 (3)
- Orgalime Guide: Assembly under PED – May 2006 (3)
- Orgalime RoHS Guide – March 2006 – updated January 2007 (3)
- Pressure Equipment Directive – May 1999 – Updated April 2008 (3)
- REACH Guide – May 2007 – Last Update October 2009 (3)
- Guide to application of the Machinery Directive 2006/42/EC, 1st Edition – December 2009 (3)

CONDITIONS OF CONTRACT

- General conditions for the supply of mechanical, electrical and associated electronic products – S 2000 – August 2000 (8)
- Supplementary conditions for the supervision of erection of mechanical, electrical and electronic products – S 2000 S – August 2000 (7)
- General conditions for Computer Software – SW 01 – March 2001 (7)
- General conditions for Maintenance – M 2000 – September 2000 (6)
- General conditions for the supply and erection of mechanical, electrical and electronic products – SE 01 – September 2001 (4)
- General conditions for the manufacture and supply of specially designed components – SC 06 – April 2006
- General conditions for series processing – SP99 – December 1999 (5)
- General conditions for the repair of machinery and equipment – R 02 – July 2002 (5)
- Turnkey Contract for Industrial Works – March 2003 (1)(5)

(1) English & French only

(2) English & German only

(3) English only

(4) Also in Spanish, Italian, Portuguese, Dutch & Russian

(5) Also in Spanish

(6) Also in Spanish & Portuguese

(7) Also in Spanish, Italian & Portuguese

(8) Also in Spanish, Italian, Portuguese, Russian, Chinese, Dutch, Swedish, Hungarian & Polish

(9) Also in Danish, Dutch, Finnish, Italian, Spanish & Swedish



**“ORGALIME OFFERS EUROPEAN
PRODUCT SECTOR COMMITTEES AND
ASSOCIATIONS IN THE ENGINEERING
INDUSTRY A RANGE OF SERVICES.”**

ORGALIME BRIDGEHEAD

With a view to ensuring a more effective and efficient information on developments on the regulatory front affecting companies, as well as representation of the specific interests of different sectors of our industry in Brussels, Orgalime offers European product sector committees and associations in the engineering industry a range of services, as well as the possibility to become associate members of Orgalime.

There are two main types of service proposed:

- A “Bridgehead” to the EU
- A General Secretariat

The Bridgehead establishes a link between the European sector association and the European Commission and other EU institutions. It also allows the association to benefit from Orgalime’s monitoring and early warning service, so that it is kept fully informed of the Commission’s initiatives long before any official proposals are issued. If an issue requires further input, Orgalime’s Bridgehead department can provide this service.

Where we provide the General Secretariat, our services include the range of activities requested, such as the daily management of the association, arranging industry events and committee meetings, accounting and budgeting, managing of the website and other specific services.

Services to European sector associations are provided by a team whose task is to ensure that full independence is maintained for each association. They therefore benefit from Orgalime’s infrastructure and access to the EU institutions while being independent at a policy level. However, they also benefit from the synergies derived from working together in certain areas such as energy and eco design where an approach based on cross-sectoral collaboration, as well as with Orgalime, is increasingly a plus. Orgalime’s dedicated staff (which now stands at 8) deal with the ever increasing number of organisations to whom Orgalime provides a variety of services.

The Orgalime Bridgehead today services 19 European Committees or Associations:

AREA – AIR CONDITIONING & REFRIGERATION CONTRACTORS

CECAPI – LOW VOLTAGE EQUIPMENT

CEIR – VALVES

CEO – HAND TOOLS

ECCS – CONSTRUCTIONAL STEELWORK

EFCEM – CATERING EQUIPMENT

EFSAC – SAFETY & SECURITY EQUIPMENT

EGMF – GARDEN EQUIPMENT

EIFI – FASTENERS

EPTA – POWER TOOLS

ESMIG – SMART METERING

ESTAL – SURFACE TREATMENT ON ALUMINIUM

EUMABOIS – WOOD WORKING MACHINERY

EURALARM – FIRE AND SECURITY SYSTEMS

EUROPERF – PERFORATORS

EUROPUMP – PUMPS

FEM – MATERIAL HANDLING & STORAGE

PNEUROP – COMPRESSORS

T&D EUROPE – ELECTRICITY TRANSMISSION & DISTRIBUTION

Moreover, the impact of work in more horizontal areas such as technical Directives, trade policy and many environmental issues is reinforced by the strengthening cooperation among the different representatives of our industry in Brussels, many of whom today also provide direct input into Orgalime's work.

The links in our industry's network in Brussels will further be facilitated through the recent opening of Orgalime's membership to European sector associations which can now be admitted as associate members of Orgalime.



GUY VAN DOORSLAER



PIERRE LUCAS



KLAUS-DIETER AXT



OLIVIER JANIN



STÉPHANIE UNY



JANET ALMOND



MIEKE VAN DER LEEGE

MEMBERS

32 MEMBER ASSOCIATIONS – 32 COUNTRIES

130,000 companies – €1,510 billion of annual output – 9.7 million people employed

AUSTRIA

FEEI FMMI



BELGIUM

AGORIA



BULGARIA

BASSEL



CROATIA

HUP



DENMARK

DI



Organisation for erhvervslivet

FINLAND

FEDERATION OF FINNISH TECHNOLOGY INDUSTRIES

The Federation of Finnish Technology Industries

FRANCE

FIEEC FIM



GERMANY

VDMA WSM ZVEI



ZVEI:

GREAT BRITAIN

BEAMA EAMA GAMBICA



IRELAND

IEEF



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ANIE ANIMA



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THE NETHERLANDS

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CONFEMETAL SERCOBE



SWEDEN

TEKNIKFÖRETAGEN



Teknikföretagen

SWITZERLAND

SWISSMEM





THE EUROPEAN ENGINEERING INDUSTRIES ASSOCIATION

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