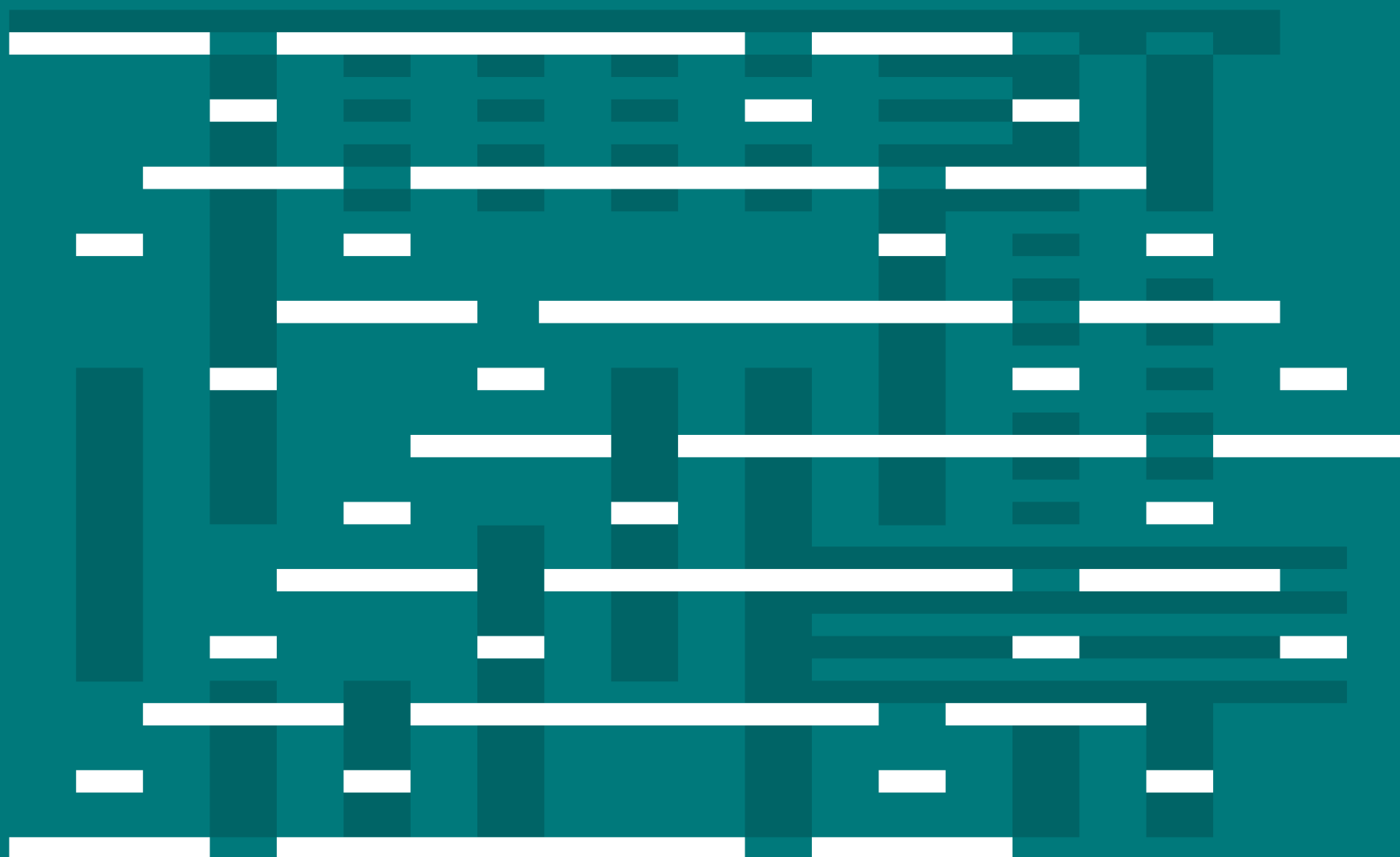


# The digitisation of industry

Mechanical — Metalworking — Electrical & Electronics



Annual Report  
2015 — 2016



# The digitisation of industry

Mechanical — Metalworking — Electrical & Electronics

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# President’s Message



**Tomas Hedenborg**  
Orgalime President

Digitisation has been happening in the consumer sector for some time now. It is moving fast, very fast, with new ideas, new companies and new offerings coming up every day.

I have just taken over as President of Orgalime at a particularly intense time for our industry: our companies are very much in the throes of a significant transformation arising out of the impact of the rapid digitisation of our offering, our internal processes and business models and those of our clients. I can see this on a daily basis in my company and in the companies of our clients.

Digitisation has been happening in the consumer sector for some time now. It is moving fast, very fast, with new ideas, new companies and new offerings coming up every day. This is an area where, as Europe, we probably have to do a considerable amount of catching up. But for us in manufacturing, if digitisation is for many companies just in its early stages compared to

its full potential, we start with an advantage - that of being well-established companies producing physical assets which are productive, reliable and renowned worldwide.

Nevertheless, the pressure is on us too: the speed at which change is happening is in fact difficult for many companies to deal with and this is why even well-established companies with solid brands need to adapt or, I fear, they will lose out to more nimble competitors. This is obvious in the consumer sector, but we are also beginning to see it in our own industry and in our client industries. Let me give you an example from one of these - about a third of our industry’s products, we estimate, enter into the production of cars. This is an industry which is undergoing radical change at the level of technology and where the traditional giants are being challenged by players such as Google and Tesla which are moving in.

At Orgalime, after a few months, my role now becomes all the clearer: to explain to regulators just what is happening in our industry and in our client sectors, such as the manufacturing sector, the medical technology, energy and buildings sectors. We must tell regulators how they can effectively accompany this transformational change which is happening to our industry and the wider economy. And this time they must not miss the boat.

Indeed, for a number of years we in Orgalime have been warning policymakers that Europe was not on the right track for providing growth and jobs. As the industry

which supplies capital goods and complex systems to all other sectors of the economy, we have seen the signs of low investment in Europe in the internal market for several years. And although, since the end of the last Barroso Commission, the importance of manufacturing to the economy has been realised, regulators still have to face the facts. The figures are clear, with manufacturing as a percentage of overall EU GDP dropping from 20% in the early 2000s to just over 15% today, has yet to reverse the trend.

To be fair to the European Commission (EC), we are feeling the winds of change: regulatory output, at least initially, has slowed down; there are efforts being made to arrive at more joined up policy-

**We must tell regulators how they can effectively accompany this transformational change which is happening to our industry and the wider economy.**

making, with a greater centralisation of decision making and discretion in the process; R&D funding is being channelled more towards areas which will help companies to develop innovative products and systems. But the jury is still out on whether the EC is heading in the right direction on the fundamental reforms needed to make Europe a more attractive place for manufacturing investment.

At the outset of this Commission we published a vision docu-

ment – ‘Technology for the world, manufactured in Europe’ where we gave our views on how this could be achieved across the range of policy areas.

Now a year and half into this Commission, we have seen many of its core policies developed: the Juncker package, the Digital Single Market, the Energy Union, the Single Market, the Circular Economy package, the Better Regulation package, real steps forward through the COP21 agenda and the trade agenda. These policies are now at different phases of implementation and we will therefore be analysing them by the end of this year, in preparation for the mid-term review, to see whether we feel that, as an industry, real progress is being made towards rendering Europe a

more attractive place for manufacturing investment. This we consider as essential, if the core jobs and growth agenda that the Juncker Commission set as its key goal, is to be attained.

We are of course aware that the EU has been faced with a number of other issues which are taking up much of the scarce time that heads of state can spend on discussing common issues, but reconquering the heart of citizens for the European project cannot hap-

People working directly for our industry in Europe

+10 million

People working indirectly

+20 million

pen if the EU seems to be lurching from crisis to crisis. It can only come about if real progress in people's daily lives is visible and, for many today, this starts with a stable and rewarding job.

This is of course not only up to the European Institutions. National governments too must play their role to render their countries more attractive to manufacturers by really working on cutting out unnecessary layers of regulation and administrative requirements which make the life of companies, and in particular small companies, complex. It may be difficult, for many governments and indeed for the European Institutions as a whole to move away from business as usual - printing regulation, too much of it ill-conceived and punishing for industry. It is true that, unlike citizens, companies are not the electors of politicians, but companies have been walking away from further investment in many countries

and in some cases shutting their operations down, which has a very direct impact on citizens. But this time, we hope that the Better Regulation agenda will end up being more than just words.


A final comment on this: companies are pragmatic and in-

Digitisation and the whole digital world to which young people are attracted and often skilled in offers them an opportunity.

vest where they are made welcome, where the regulatory framework is reasonable, stable and predictable, where there are business opportunities and where they can earn a fair return. Let's hope that policymakers too can become more pragmatic in implementing their agenda in a way which takes into account the welfare of citizens and

the economy as a whole.

For all of us today, whether young or old, our focus must be on working once again towards a common European project and on turning around our overall EU economy to provide jobs and a future for our citizens and in a particular for

our children here in Europe. Digitisation and the whole digital world to which young people are attracted and often skilled in offers them this opportunity. Let's make sure it happens here in Europe! 

# Director General's Message



Adrian Harris  
Orgalime Director General



Inge Dewit Vanhaelen

Our vision is of an interconnected European economy that benefits the most from one of its biggest assets: a strong manufacturing industry, often embedded in regional clusters that are world-leading.

## Embracing digital like never before...

Last May, the European Commission (EC) presented its Communication on the Digital Single Market Strategy. Whereas this strategy - as the digital world as a whole - has a strong consumer focus, for us, the digitisation of industry, often referred to as the 'Industrial Internet of Things', will be the driving force behind European economies in the coming years.

We believe that alongside the Energy Union, the Internal Market Strategy, and the Circular Economy, the Digital Single Market is one of the core pillars, which, if it is well-designed and part of a connected and coherent policy approach, will contribute towards achieving overall jobs and growth,

the focal point of the present Commission.

Our vision is of an interconnected European economy that benefits the most from one of its biggest assets: a strong manufacturing industry, often embedded in regional clusters that are world-leading. That is why it is so important that digitisation finds its way into the entire value chain of the production, starting from the smaller companies which typify our industry to the big global players. Indeed, for Europe’s economy a lot is at stake: the uptake of digitisation by the manufacturing sector, its successful deployment and roll-out will be the main drivers for investment in all economic sectors within the coming years.

More than that, however, it is the precondition for Europe’s economy to maintain its position as a world leader in many technologies and hereby to continue to provide more and better jobs every year.

And with a ‘digital’ President too - the experience that Tomas Hedenborg has of leading a company whose mission is central to the automation and digitisation of their clients’ products and processes will prove invaluable at this time: the synergies are enormous, as we in Orgalime try to ensure that the full potential of the digitisation of industry and the wider economy contributes to revitalising manufacturing investment in Europe.

**Embracing more policy areas like never before...**

The changing shape and subsequent convergence of the policy areas being addressed by the European institutions has resulted in Orgalime having to continually adapt too. Our focus which was largely on placing manufacturing on the core policy agenda –

**It is becoming clear that data is one of the ‘raw materials’ of the future. We must therefore ensure that where necessary, legislation is adapted accordingly in order that we in the industry, can use data in a responsible manner...**

and in this we have been successful – is now focusing on how the digital transformation will impact what are considered as more traditional manufacturing industries and what policies and legal framework our companies need to be able operate successfully in the EU.

Policymakers are moving swiftly, in some cases we feel too swiftly, to regulate in this area. Why too swiftly? Simply because companies are adapting to this fast changing environment and learning how to develop new services, new business models and regulating this area ‘in advance’ may just make it more difficult for our companies to be innovative. We also must explore in some cases where existing regulation needs to be adapted. We are therefore providing input into specific areas with which we are

being faced including on the issues of ‘platforms’, standardisation and health and safety legislation.

The areas of data ownership and of cybersecurity are also on our radar screen. Manufacturers need to grasp, not just the essentials, but an in-depth appreciation about the importance of data. It is becoming clear that data is one of the ‘raw materials’ of the future. We must

therefore ensure that where necessary, legislation is adapted accordingly in order that we in the industry, can use data in a responsible manner to develop new services and business models. We must also ensure that no automatic bridge is built between regulation on personal data protection and any future regulation affecting the business-to-business sector.

The topic of energy, relatively new in Orgalime’s work schedule, has also resulted in a greater concentration of effort, notably towards the EC’s Energy Union and 2030 Energy and Climate Framework. We consider a properly redesigned electricity market as a milestone for the realisation of the EC’s headline priority of ‘a forward looking, resilient EU Climate and Energy Policy’ as well as further head-

line priorities, namely Digital, Jobs and Growth and Circular Economy initiatives.

Energy efficiency technologies, demand response services, all different sources of flexibility and smart grids are ‘no regret options’ to make costs of renewables sustainable. We are convinced that the realisation of the new 2030 climate and energy targets and EU world leadership in renewable and other energy technologies cannot be achieved without a thorough implementation of the ‘energy efficiency first’ principle, and a change in the traditional electricity market design facilitated by the use of digital technologies.

**Embracing the European Institutions (well trying) like never before...**

Working with the Juncker Commission at the outset has been a novel experience: there has been a strong centralisation of decision-making, accompanied by curtailment of regulatory development. On the whole we feel this has been a good move as regulatory uncertainty and instability have definitely been a brake on manufacturing investment in the EU.

However, it has made our life as an association which is used to open interaction with the EU institutions more complex and more bureaucratic. And notwithstanding the much proclaimed better regulation and transparency in law-making, in many cases we are faced with proposals implementing new policies which contain surprises, sometimes unpleasant surprises. This of

course does end up undermining some of the benefits of a more rigorous approach to regulation.

**Embracing membership like never before...**

2015 has seen another rise in the membership of our association. Since our Statutes were amended in 2011: we now have 42 members coming from 24 countries.


We have again adjusted our own internal structures and work programmes to cover the needs that advanced manufacturing, the Energy Union and the digital agenda require. We continue to develop a cooperative and coordinated approach across our industry’s network.

With our vast network, which incidentally covers more or less 150 different product sectors, we also service some 21 European sector as-

sociations, plus EFFRA, the research association for the production technology area of our industry. It’s not only the European Institutions that offer a joined up approach!

**Recognition like never before...**

A final word on Orgalime itself: I am very proud to see that in 2015 we were voted in the APCO Trade-Marks awards, the N°1 representative of manufacturing interests in Brussels and the third most effective association overall.

For this, I would like to thank our members and our staff for the hard work they have put in and for having helped us to develop a coherent vision of where our industry wants Europe to move to ensure that it remains attractive to our companies and to the nearly 11 million staff they employ here in Europe. 

**European Engineering Snapshot in 2015**

Output  
**€1900 billion**

Change in output (2014/2015)  
**+1.3%**

Employment (2015)  
**+0.7%**



# Board & Policy Committees

“Our industry has always been successful through technology and innovation and it is Europe’s foremost manufacturing employer. Today’s economic situation is something of a challenge: companies are faced with externalities which are difficult to predict and manage. Where the EU can and must help is to create the right framework conditions here in the EU to help to turn around the economy in the internal market. For our industry, on the positive side, the rapid digitisation of companies is opening the prospects for growth. It is time therefore that regulators in Brussels fully embrace the opportunities that this rapid technological development is bringing in all spheres – productivity, resource efficiency, growth and therefore employment - and to move away from the traditional regulatory approach, which has impacted manufacturing investment in Europe.”

**Howard Porter**  
Chairman of Orgalime

## Board of Directors

**Mr. Howard Porter**  
Chairman  
BEAMA, United Kingdom

**Mr. Eric Jourde**  
Past Chairman  
FIEEC, France

**Mr. Rafael Campos Pereira**  
AIMMAP, Portugal

**Mr. Andrea Orlando**  
ANIMA, Italy

**Mr. Benjamin Frugier**  
FIM, France

**Mr. Peter Bongaerts**  
FME, The Netherlands

**Mr. Berndt-Thomas Krafft**  
FMFI, Austria

**Mr. Graeme Philp**  
GAMBICA, United Kingdom

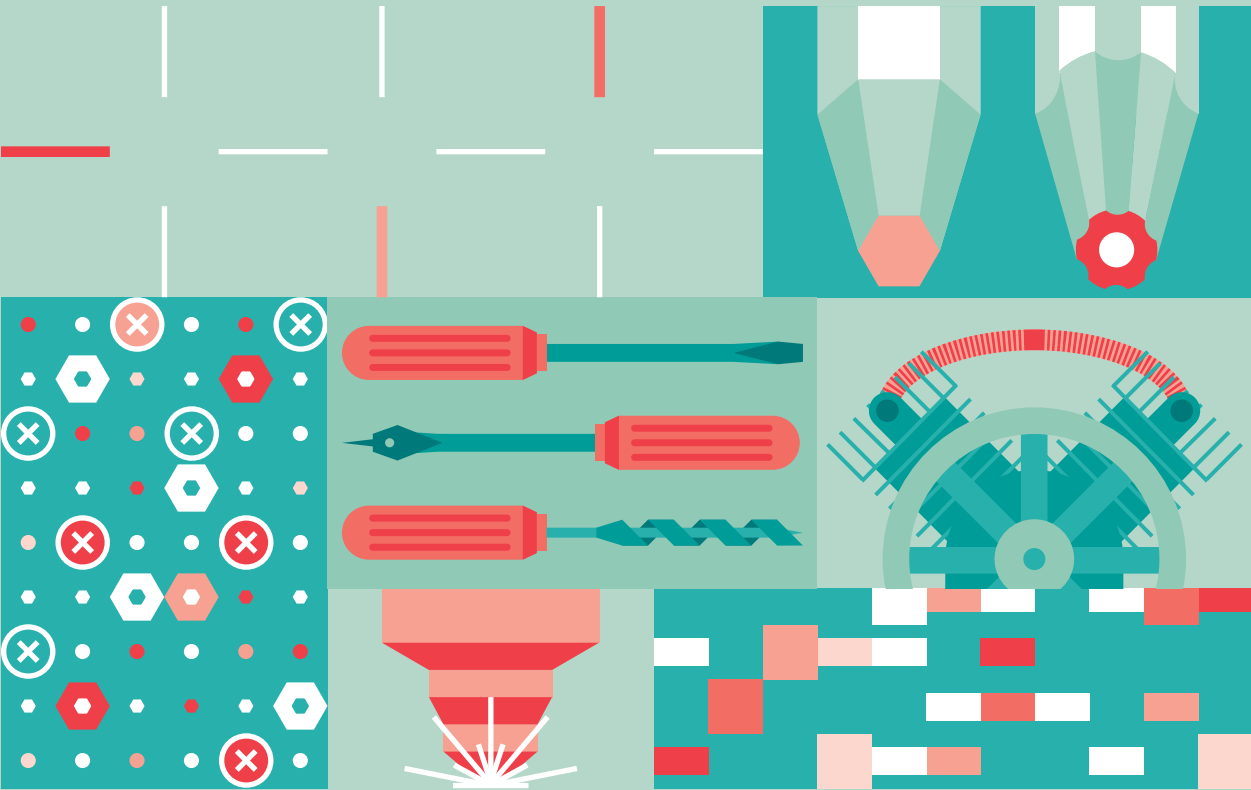
**Mr. Jorma Turunen**  
The Federation of Finnish  
Technology Industries, Finland

**Ms. Maria Sandqvist**  
TEKNIKFÖRETAGEN, Sweden

**Mr. Thilo Brodtmann**  
VDMA, Germany

**Mr. Klaus Mittelbach**  
ZVEI, Germany

# Metal Articles Liaison Committee (MALC)



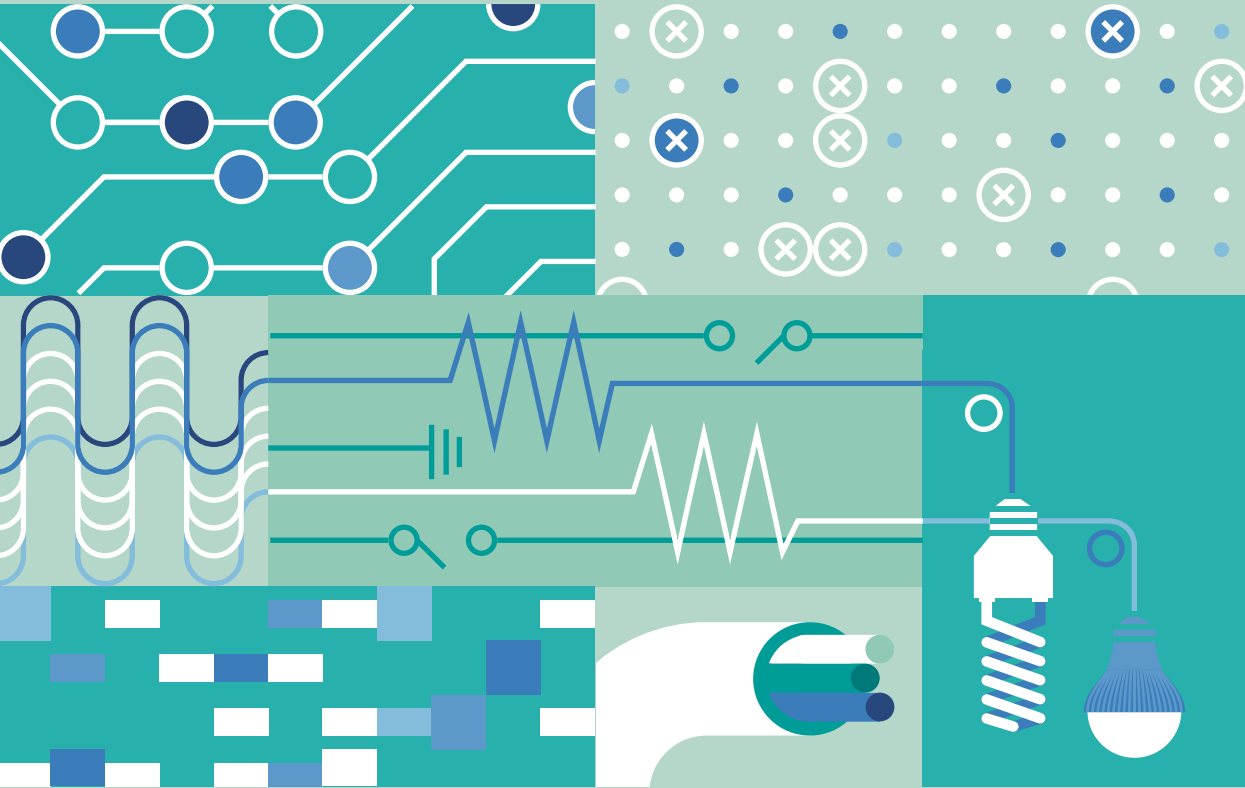
**Maria Sandqvist**  
TEKNIKFÖRETAGEN  
Chairman of MALC

“The fabricated metals and metalworking industry’s turnover in 2015 is estimated at almost €470 billion. In terms of employment this is the largest sector of the European engineering industry with more than 3.6 million employees. The sector produces, to a large extent,

inputs and products used in other engineering sectors such as machinery. In 2015, the growth of 0.5% in the fabricated metals and metalworking industry lagged behind the other sectors. In 2016, the sector is expected to grow faster (at 1.0%) than last year.”



# Committee of the Electrical and Electronic Industries (CEEI)

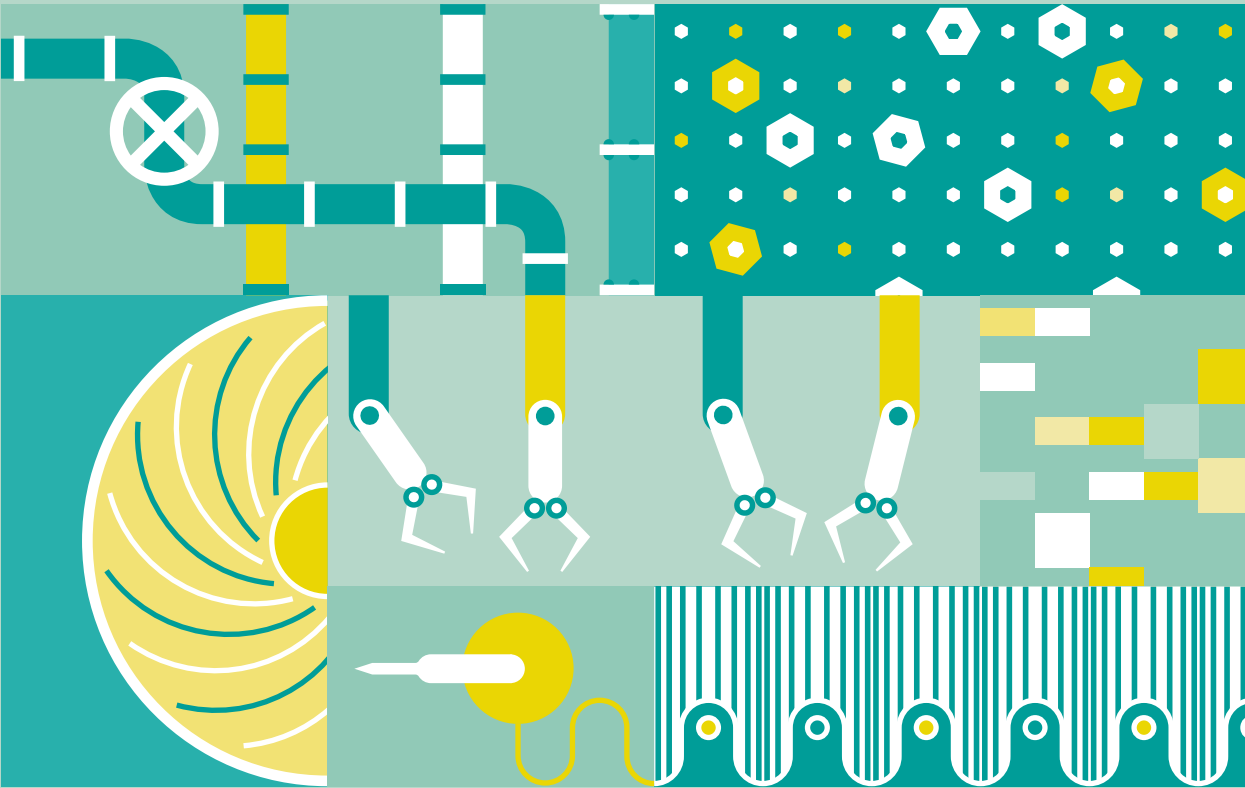


**Graeme Philp**  
GAMBICA  
Chairman of CEEI

“The electrical, electronics and instrument industry is among the largest industrial sectors in Europe. The industries accounted for an annual turnover in 2015 of around €660 billion in total. The sector employs an estimated 3 million

people (including medical and dental industries). The sector showed a weak performance in 2013, but returned to growth in 2014. In 2015 it has been the best performing sector of the Orgalime industries with an output growth of 2.6%.”

# Mechanical Engineering Liaison Committee (MELC)



**Benjamin Frugier**  
FIM  
Chairman of MELC

“The European mechanical engineering industry accounted for an annual turnover in 2015 of around €640 billion. The sector employs more than 2.9 million people. In

2014 the mechanical engineering industry was the strongest growing sector. In 2015, however, output grew at a below average rate by 0.8%.”

# The Business Situation in 2015

Orgalime’s economists compile and analyse their latest data and forecasts for the engineering industry twice a year.

We analyse first and foremost the economic trends for metal products, mechanical engineering, electrical engineering, electronics and ICT and instruments – mainly chapters 25 to 28 of the NACE rev.2 business nomenclature as well as chapter 33 (installation and repair services) where reported by the industry. The latter, which is growing, is included in the total figures for the industry.

Based on official data available, we estimate that the engineering industry’s total turnover value in the European Union reached more than €1900 billion in 2015. The number of employees stood at almost 10.9 million people.

**2015: A strong second quarter makes output growth reach 1.3%**

2014 ended with some slow growth, but it picked up during the first quarter and especially the second quarter of 2015 which showed a strong performance among most sectors. In the second half of the year the engineering industries could not maintain this high level, but continued to grow at a more moderate rate.

Overall, output of the European engineering industry grew by a fairly modest 1.3% in 2015.

**Annual change in output of European engineering industries – growth in %**

Sector / year	2015	2016
Mechanical engineering	0,8	1,0
Electrical, electronics and instrument engineering	2,6	1,7
Fabricated metal goods	0,5	1,0
Total Orgalime industries	1,3	1,2
Employment including repair and installation services	0,7	0,0

**Mechanical engineering industry**

The European mechanical engineering industry accounted for an annual turnover in 2015 of around €640 billion. Employment is estimated at more than 2.9 million people.

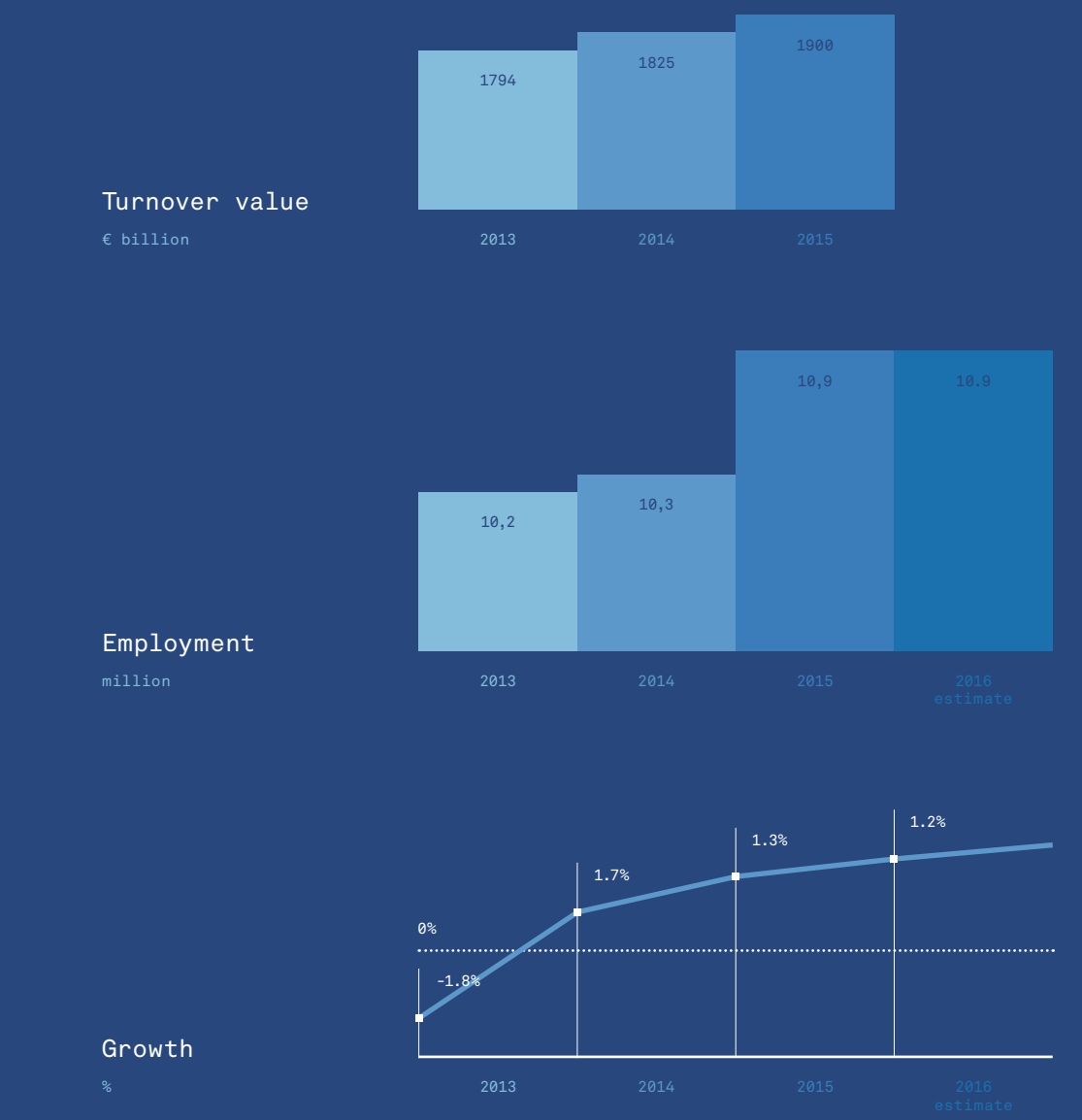
In 2014 the mechanical engineering industry was the strongest growing sector. In 2015, however, output grew at a below average rate by 0.8%.

Last year agricultural machinery was the only subsector that showed a decrease in production. This year the sector faced a further contraction with a decrease in output of 7.9%.

**Electrical, electronics and instrument industries**

The electrical, electronics and instrument industries employ more than 3 million people (includ-

European engineering snapshot



ing medical and dental industries). The industries accounted for an annual turnover in 2015 of around €660 billion.

The sector showed a weak performance in 2013, but returned to growth in 2014. In 2015 it has been the best performing sector of the Orgalime industries with an output growth of 2.6%.

Growth is expected to continue next year, although on a somewhat lower level of 1.7%. As the sector as a whole performed well, it is no surprise that most subsectors also showed a good performance in 2015. The best performing subsectors were the manufacturing of electromedical and electrotherapeutic equipment (+11.4% production growth) and the manufacturing of optical instruments and photographic equipment whose production grew by 11.9%.

Some subsectors however, experienced a contraction in production. Especially the consumer electronics subsector showed a strong decrease (-7.3%). This subsector was also the worst performing subsector in 2014.

Fabricated metals and metalworking industry

The fabricated metals and metalworking industry's turnover in 2015 is estimated at around €470 billion. In terms of employment this is the largest sector of the European engineering industry, employing more than 3.6 million people.

This sector produces, to a large extent, inputs and products used in other engineering sectors such as machinery. The performance of this industry normally follows the performance of the engi-

neering industry as a whole. However, in 2015, the growth of 0.5% in the fabricated metals and metalworking industry lagged behind the other sectors. In 2016, the sector is expected to grow faster (at 1.0%) than last year.

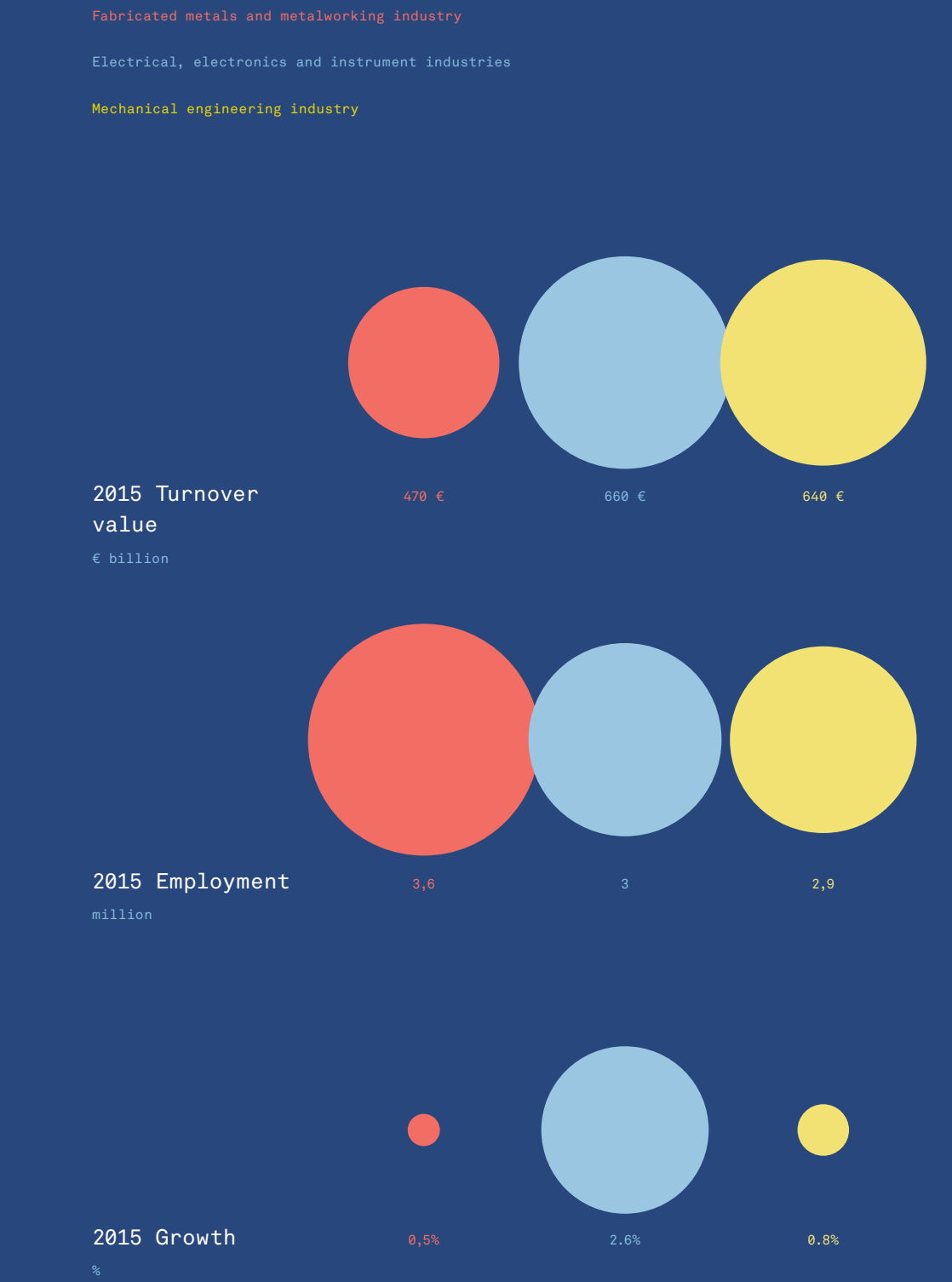
There were variations in performance among the subsectors in the fabricated metals and metalworking industry. Subsectors such as the manufacturing of cutlery, tools and general hardware showed an increase in production (+1.5%), whereas a subsector like the manufacturing of tanks, reservoirs and containers experienced a contraction in production (-1.1%).

Employment

It is estimated that employment grew by 0.7% in 2015, therewith improving on the 0.3% employment growth in 2014. For 2016, however, Orgalime economists expect that this performance will flatten out, without a further increase in employment as the number of staff stabilises (0.0% growth).

General outlook

According to the International Monetary Fund (IMF), global growth is expected to increase from 3.1% in 2015 to 3.4% in 2016 and even further increase in 2017 (3.4%). This pickup in growth however, is projected to be more gradual than in the October outlook as forecasts for both 2016 and 2017 have been revised downwards by 0.2%.



These revisions reflect to a substantial degree the weaker pickup in emerging economies than was forecast in October. The IMF specifically mentions the diminishing prospects in Brazil and the Middle East as reason for the revisions.

The OECD projects that global growth in 2016 will not be higher than in 2016 (3.0%), which in itself the slowest pace in the past five years. The OECD also, has revised its forecast down in the light of disappointing recent data. There is a very modest growth in advanced economies but growth is slowing in many emerging economies. According to the OECD, trade and investment remain weak while sluggish demand is leading to low inflation and inadequate wage and employment growth.

The European Commission (EC) is a little more optimistic in tone, as its winter forecast states that “the European economy is now entering its fourth year of recovery and growth continues at a moderate rate, driven mainly by consumption”. The economy of the European Union is expected to grow by 1.9% in 2016 and 2.0% in 2017.

All forecasts state that there are downward risks for the global (and European) economy, among which are:

- A sharper than expected slowdown in China
- Lower growth in emerging markets
- Financial stability risks: tighter global financing conditions (when the US exits their accommodative monetary policy), possible global risk aversion
- An escalation of on-going global tensions

The weak Euro is still considered an upward ‘risk’ as it is regarded as having a continuing positive influence on the exports of the engineering industry.

Therefore, Orgalime economists foresee a stabilisation in the overall business climate for the industry in 2016. Growth is at 1.2% and expected to remain on almost the same moderate level as in 2015 (1.3%).

There are differences in growth rates among the industry’s most important sectors, although these differences contract. The electrical, electronics and instruments engineering will show the fastest output growth at 1.7%.

As industry is the cornerstone for a sustainable long-term economic growth, it is to be hoped that politicians on the European and national stage continue their supportive approach to the manufacturing industry and particularly to the opportunities arising from digitisation, which in many cases is supportive of policy objectives, such as energy and resource efficiency, thereby limiting the need for command and control legislation which often undermines the innovation potential of companies. The policy approach will determine in many sectors whether the EU remains competitive as a manufacturing location and on a global level. 

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Change Policy



Adrian Harris



Pierre Lucas



Christoph Riedmann

*We believe that the positive impact is already showing as output and employment in our own industry have both risen to new levels in 2015.*

The fusion between traditional industry and digital will, we believe, be at the core of Europe’s future growth and jobs. Orgalime which has traditionally championed the causes of manufacturing has over the past year broadened its scope to cover the increasing influence of digitisation. This includes processes and services offered by our industry where we require the necessary framework conditions to be able to profit from these developments in the EU. We believe that the positive impact is already showing as output and employment in our own industry have both risen to new levels in 2015. Now this must continue and we are looking towards seeing similar progress in our customers, over eighty percent of which are from other manufacturing sectors or sectors such as the energy utilities and construction.

What is progressively being put in practice by our companies and has become the key driver of our industries in recent years, has finally reached public debate: we have tried to raise the awareness of European policy makers for the enormous potential that digitisation offers to the

economy and our input has fed into two key communications on this area: the Digital Single Market Strategy in May 2015 and, building on that, the Digitising European Industry Communication in April 2016. Both have acknowledged the need to adapt European policies now in a way that Europe can develop the competitive and modern industry of tomorrow.

At the political level, this has been completed with a Communication on the Single Market while, in our own work, we have focused on linking these policies together since we believe that a joined up approach is needed across the European Commission (EC) in order to achieve an industrial policy which works by creating the right framework in which companies can develop and grow in Europe. It is for this reason that we have stressed the key role that digitisation must play if several other core EU policies, be it the transition to a clean, low-carbon energy supply, be it the idea of a circular economy if the EU is to deliver on its core jobs and growth agenda.

*...in order to fully benefit from digitisation, Europe must go beyond what has been proposed.*

**Making the Digital Single Market ready for industrial needs**

Orgalime published its position ‘From the Digital Single Market to a Single Market Ready for Tomorrow’s Needs’ in September 2015. We pointed out that for us, the Digital Single Market Strategy is an important first step; however, in order to fully benefit from digitisation, Europe must go beyond what has been proposed.

Europe must be ready for the ‘Internet of Things’ taking into consideration the needs of industry. Digitisation finds its way into the entire value chain along the production, starting from small and medium-sized enterprises (SMEs) to big global players and legislation must be adapted when it becomes technically obsolete or hinders innovation.



In this respect, Orgalime has also participated in the ‘Public consultation on the regulatory environment for platforms, online intermediaries, data and cloud computing and the collaborative economy’. We are indeed keen to ensure that a clear distinction is made by regulators between developments in the consumer oriented market and business-to-business market where we feel that in many areas, since innovative offerings and business models are emerging, it is too early to consider regulation and we are encouraging regulators to work in partnership with us.

**Cyber Security**

One area which for us remains a decisive precondition for the ‘Internet of Things’ and a broad roll out of digital technologies throughout the economy is a safe cyberspace. This is one of the areas on which we are now working and will continue to work in 2016.

While the discussion on cybersecurity today is primarily focused on e-commerce topics, such as safe payments and privacy issues, now the safety of production systems along value chains and the energy system are increasingly gaining importance. Orgalime is now therefore working on ensuring that the voice of both business-to-business technology providers and users is heard in the discussion among policy makers and taken into consideration.

After the adaptation of the Network and Information Security Directive, detailed work has to ensure that its transposition into national law cre-

*... as we have stated a number of times before, a completely independent body to minimise bias in the carrying out of impact assessments.*

ates a true added value for cyber safety.

Additionally, we are closely monitoring the actions performed to improve energy security and have been contributing to making the upcoming Cyber Security Public Private Partnership (PPP) a useful initiative for industry.


**Better Regulation**

One of the key promises of the new EC was to produce less, but better, regulation. As has been repeatedly underlined by Orgalime, proper impact assessments, taking into consideration the real costs for companies are key to better regulation and a more competitive economy.

Therefore, we welcomed that the EC has established a new impact assessment procedure last year, which will, however, have to prove yet its willingness and ability to deliver in practice. The new Regulatory Scrutiny Board which will review impact assessments before the EC discusses a legislative proposal will, we believe, be essential to ensure good quality assessments. We therefore support the plans to make the review body more independent through the inclusion of external members. Although we would have preferred, as we have stated a number of times before, a completely independent body to minimise bias in the carrying out of impact assessments.

We also believe that it is essential that the Council and European Parliament (EP) now also take more seriously their commitment to carry out impact assessment on substantive amendments, as these have in the past often contributed

significantly to the costs of new legislation and major deviations from the original proposals.

If we manage to create the right legal framework that enable European manufacturing industries to fully profit from the chances offered by digitisation, we believe we can make Europe the place where manufacturing as it is now evolving, has its home – the place where things get made to globally create a brighter future. 







Philippe Portalier



Eleonora Piccinni



Caio Lobo



Christine Kiernan

... the Single Market Strategy ought to aim at simpler and faster removal of technical trade barriers, smarter market surveillance with more physical controls...

Now that the present wave of revision of internal market legislation has been completed much of our work in the area this year has focused on implementation issues, including guidance and standardisation, as well as on the strategy for the single market which we tie in to Orgalime's work on digital issues.

Single Market Strategy

For years, Orgalime has pointed out that the European Single Market has been the source for jobs and growth. In June 2015 we made clear that the Single Market Strategy ought to aim at simpler and faster removal of technical trade barriers, smarter market surveillance with more physical controls, a true reduction of bureaucracy, simpler conformity assessment rules and an approach to standardisation which takes into account the global markets of companies.

In our position on the issue in response to the European Commission's (EC's) Single Market

Strategy Communication, we stressed these points and also drew attention to the need to make the Single Market ready for the digitised future. The 'Industrial Internet of Things' will, we believe, be the key driver of innovation and growth in the European manufacturing economy for the coming years. In order to make Europe among the world's leading economy in this field, we need to have the right framework conditions in place.

European Standardisation Policy

This is an area where the digitisation of industry is having an impact on what has been a solid European Standardisation System which contributes to companies' competitiveness within the Single Market, mainly by facilitating their access to the market across the 28 EU Member States, by removing conflicting national standards, and thereby facilitating the free movement of goods. Orgalime therefore has been particularly active on standardisation issues during the year, producing a num-

*Orgalime is focusing on ensuring that industry should achieve a better dialogue and understanding with the European Commission*

ber of positions and working with the European Commission (EC) on its ongoing Joint Initiative on Standardisation.

At the same time, we continue to monitor the implementation of Regulation EU 1025/2012, to secure that standards remain voluntary, available on time and help industry to meet both relevant policy requirements and their market needs.

As a partner of both CEN and CENELEC, we provided our input into the revision of the Vademecum on European standardisation: while it clarifies the relationship between the EC and European Standardisation Organisations, it may significantly impact industry stakeholders that provide their expertise in standardisation work.

At the present time, Orgalime is participating actively in the discussions around the Joint Initiative on Standardisation that the EC proposed under its Single Market Strategy. The document is expected to be signed during the Dutch presidency of the Council, with a view to support the 10 policy priorities of the Juncker Commission in establishing the European Standardisation System as a supportive hub for growth, jobs and access to global markets for European companies by 2019. Orgalime is focusing on ensuring that industry should achieve a better dialogue and understanding with the EC by participating in the Editorial Committee. This step follows on from our earlier move to set up the Industry Group on European Standardisation Strategy (INGRESS), an alliance of 20 European industrial federations, which requested that industry be recognised as a European standards stakeholder under the Regulation 1025/2012 and be invited to participate in the regular meetings

of the Committee of Standards. However, despite the importance of industry as the principal funder and contributor in expertise to the European Standardisation System, this request has not been accepted to date.

**Low Voltage Directive (LVD)**

Early in the year, Orgalime requested the European Commission (EC) and the Member States to refrain from accepting to withdraw the citation in the Official Journal of the EU (OJEU) of Standard EN 60335-2-9:2003, *“Household and similar electrical appliances - Safety - Part 2-9: Particular requirements for grills, toasters and similar portable cooking appliances”*.

Our position paper on the issue, while supportive of the white goods’ industry’s position, stressed that we consider the removal of the presumption of conformity granted for the use of this standard would be disproportionate to safeguarding public interests and at odds with better regulation principles.

**Consumer Product Safety Regulation (CPSR) and Market Surveillance of Product Regulation (MSPR)**

This is an issue where we felt that a measure which was initially intended to be supportive of industry by strengthening market surveillance provisions in Member States, ended up being emptied of much of its substance, while, once again imposing new

requirements and new costs on manufacturers. Orgalime therefore continued to follow up its request issued in a position addressed to the new European Commission (EC) late in 2014 in favour of withdrawing the package.

We continue to stress what we see as the core issues:

- Market surveillance and consumer product safety suffer not from a lack of legislation but from a lack of implementation on the ground. The current shortcomings of market surveillance are mostly due to lack of funding and efficiency rather than gaps in the legal framework.
- If the present package is withdrawn and a new one tabled, we would hope to see much more focus put on making things work through, for example, co-ordinating Member States activities, harmonising procedures, pulling resources together including to avoid replicating tests. Any such package should be aligned with the ‘Internal Market Strategy’.

**Harmonisation Legislation – Alignment with the New Legislative Framework (NLF)**

In 2016 following the adoption of the New Legislative Framework, the revised Low Voltage Directive (LVD), the Electromagnetic Compatibility Directive (EMC) and the Radio Equipment Directive (RED) will become applicable to manufacturers. In a number of different positions, issued during the year, we stressed our views on the European Commission’s (EC’s) implementation guides for those directives, making sure industry will keep being Europe’s engine:

- First we continued to closely monitor the revision of the Blue Guide and actively ensuring



that the tool keeps supporting industry. Orgalime submitted a list of priorities for the revision of the latest version of the Blue Guide.

- On the area of e-commerce, we understand that it may appear challenging for market surveillance authorities faced with the development of cross-EU border e-commerce; for that reason we submitted an interpretive fiche on placing imported products on the market aiming to clarify new e-commerce practices.
- On so called ‘fulfilment centres’, we commented as we consider that instruments currently exist to stop rogue trading practices without imposing obligations on fulfilment centres which would be inappropriate with regard to their role in the supply chain of products.

**Radio Equipment Directive (formerly R&TTEd)**

Orgalime is actively monitoring and sending its contributions to the revision of the guide for the application of the Radio Equipment Directive (RED). We also have been working together with other associations and issued a position to ensure

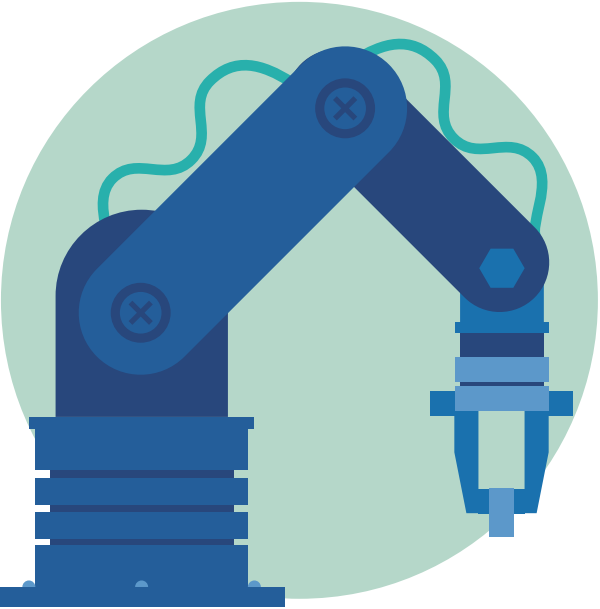
*Orgalime is preparing its contribution to this study and intends to assure its traditional role as the industry's coordinator in the preparatory work of the revision of the Machinery Directive.*

that the new version should reflect a common interpretation of all the changes that the Directive's revision resulted in. Our focus is on combined equipment including radio modules and on the resulting the impact on standards.

**Machinery Directive (MD)**

The European Commission (EC) is currently drafting the 3rd edition of the guide of interpretation to the Machinery Directive. All the fiches drafted by Orgalime have been taken on board in the guide, except the few that still need further in-depth discussions with EC and Member States.

As announced earlier by DG GROW, the Ma-



chinery Directive will also be revised in the next few years. The first step of this revision is the evaluation study that has officially begun on 1 January 2016 and is scheduled to take 17 months. Orgalime is preparing its contribution to this study and intends to assure its traditional role as the industry's coordinator in the preparatory work of the revision of the Machinery Directive.

**Gas Appliances Regulation (GAR)**

At the plenary session of the European Parliament (EP) on 20 January, the report of MEP Catherine Stihler received overwhelming support. This closed the loop of the ordinary legislative process.

Orgalime also supported the outcome of the vote: we had tabled several amendments which had been taken on-board by MEP Stihler. We successfully advocated for the CE marking application for fittings (and not only for gas appliances as it is now).

The GAR will be transposed into national law in January 2018 and Orgalime will follow the implementation process, preparing proposed answers to questions which arise in the interim.

**Construction Products Regulation (CPR)**

Orgalime drafted the second edition of the guide of interpretation to the CPR. The update was presented during the Orgalime General Assembly in November 2015.

It was time to update the guide following the

*...new delegated acts were implemented to facilitate the work of manufacturers in their daily business.*

development of new measures since the application of the Regulation in Europe in July 2013. For example, new delegated acts were implemented to facilitate the work of manufacturers in their daily business.

The Orgalime guide is available for download free of charge and has proved to be an efficient information tool for many European manufacturers.

**Outdoor Noise Directive (OND)**

Orgalime has actively coordinated the industry contributions and relations with the consultant in charge of the ODELIA study which aimed at fixing the limit values for equipment used outdoor and survey whether new equipment should be considered in the scope of the Directive.

Orgalime has also been an active member of the Steering Committee of the study.

**Pressure Equipment Directive (PED)  
& Simple Pressure Vessels Directive (SPVD)**

During the transition period before the application of the newly aligned Directives, Orgalime has participated in all the Working Party Guidelines and Working Group Pressure meetings organised by the European Commission (EC). The main objective of the work carried out is to review the 237 guidelines which have to be adapted to the new PED.


Orgalime has tabled its priority list of guidelines to be adapted and has also tabled some guidelines in relation with the risk/hazard assessment in

order to facilitate manufacturers' work. This work is still ongoing and will be continued over the coming year.

Orgalime has also tabled a revision of an article of the newly aligned SPVD. This procedure, which has been recognised by the EC, is now being analysed by the legal services to identify the correct instrument to use to restore the correct text in the Directive.

**ATEX Directive**

Orgalime has participated in the ATEX workshop which aimed at drafting an FAQ in order for industry and stakeholders in general to find solutions to their concerns during the transition period.

We also commented in a position on the issue of providing documentation for components under this Directive in electronic format. 



Željko Pazin



Jackie André



Rozenn Maréchal



Silvia Selandari

*We supported the European Commission's plan to advance the agenda of trade liberalisation, through the multilateral, as well as the bilateral and plurilateral paths.*

In the absence of vigorous growth in the EU's internal market, it is logical that trade issues are a core element of Orgalime's agenda. Our industry is after all the EU's largest manufacturing exporter. Our focus is therefore both on the practical issues affecting our companies, as well as on the wider trade policy agenda. This year therefore we have provided our views through our positions focusing on the European Commission's (EC's) recently published trade strategy, on the important ongoing Transatlantic Trade and Investment Partnership (TTIP) negotiations with the USA and on the issue of so-called 'conflict minerals'.

**International Trade Policy**

At a wider policy level Orgalime commented on the European Commission's (EC) Communication 'Trade for all - Towards a more responsible trade and investment policy' which places trade at the top of its political priorities.

We supported the EC's plan to advance the

agenda of trade liberalisation, through the multilateral, as well as the bilateral and plurilateral paths. We also welcomed the EC's proposals to re-energise multilateral negotiations and to restore the centrality of the WTO as a trade negotiation forum.

More specifically we highlighted the importance of SME friendly measures in trade agreements which should really help the many smaller engineering industry companies in their activity on world markets.

**Transatlantic Trade and Investment Partnership (TTIP) negotiations**

TTIP remains very much on the policy agenda of both the EU and the USA, with this being one of the headline items in a speech given by President Obama at the 2016 Hannover Fair. During the fair further meetings and events with both Commissioner for Trade Malmström and Ambassador Froman took place, including one organised by our members.





At an industry level Orgalime and NEMA our US electrical industry counterparts also discussed the issues where we see eye to eye and those which will be more difficult to bridge. This followed on from the earlier discussions at our General Assembly in November 2015 when we welcomed Mr. Kevin J. Cosgriff, President and CEO of NEMA, as a guest speaker. He marked the occasion of the one-year anniversary of signing the TTIP joint statement by Orgalime and NEMA. The messages contained in the joint statement are still extremely relevant, as both Orgalime and NEMA believe there is a great potential to strengthen further EU-US trade and investment relations to support mutually beneficial job creation, economic growth, and international competitiveness.

Prior to this, during the 12th round of TTIP negotiations in February 2016 regulatory cooperation was intensively discussed. The European Commission (EC) acknowledged that discussions on a specific engineering annex are proving somewhat difficult, with the US being reluctant to having it at all. Orgalime voiced its support for such an annex in a position paper from April 2015 and continues to push for achieving progress in this ar-

ea where we believe much of the real value added of a TTIP agreement will be for our industry.

In March 2016 Orgalime further called for progress on the TTIP negotiations as it is a key priority for the European engineering industry, with its objective of formulating a comprehensive, exemplary transatlantic agreement for the liberalisation of trade in products and services. Additionally, we stressed that standardisation and conformity assessment procedures should facilitate transatlantic trade, not become technical barriers for both the European and the US engineering industries. Therefore, Orgalime supports the TTIP negotiations as a way to improve the technical cooperation by reducing as far as possible the existing differences in the respective regulatory frameworks. As industry, we believe that the alignment with international standards from International Organization for Standardization (ISO), International Electrotechnical Commission (IEC) and International Telecommunication Union (ITU), is the way forward for the removal of technical barriers to trade between the EU and the US.

TTIP negotiations are now expected to speed up since, after years of negotiations, the US has signed an agreement to set up a Trans-Pacific Partnership free trade deal with Australia, Canada, Japan, Malaysia, Mexico, Peru, Vietnam, Chile, Brunei, Singapore, and New Zealand.

**Free Trade Agreements (FTAs)  
and other negotiations**

The negotiations with the US were definitely in the spotlight this year in our trade working agenda, but we have seen some other FTA developments which are of importance for Orgalime and which we are monitoring: these include the ongo-

*Orgalime welcomed a robust European framework protecting trade secrets, as the misappropriation and misuse of them represents a serious threat for our industry.*

ing talks on a possible EU-Japan agreement, the legal review of the original (English) version of the EU-Canada agreement and the recently completed EU-Vietnam FTA whose entry into force is expected in January 2018.

On a more active note, Orgalime had co-signed a joint position with over 80 industry associations supporting the expansion of the WTO Information Technology Agreement (ITA) product scope. The removal of tariffs on a vast array of hi-tech products will, we believe, provide significant benefits, for manufacturers at the level of input costs and therefore also for customers at the level of sales prices.

**Conflict Minerals and Raw Materials**

Following the May 2015 European Parliament (EP) position in favour of a mandatory scheme for both upstream and downstream companies and the December 2015 Council’s position supporting a voluntary approach, dialogues between the European Commission (EC), the EP and the Council have started under the auspices of the Dutch Presidency.

Orgalime reacted against the EP vote as the proposed obligations for downstream companies are not workable in practice and would thereby not contribute to improving the situation in third countries. We called for more informed data on the effects of regulation at the different levels of the supply chain, as this would demonstrate that the careful and pragmatic approach of the European Commission (EC) has better chances to bring pos-

itive effects for the local population in the affected countries than a regime that is not feasible to implement. We voiced our views in a position paper published in July 2015.

Orgalime had also been active before the Council position was announced and were pleased to see the Council adopting position supporting a voluntary approach in December 2015.

As negotiations are progressing in the Council and the EP, Orgalime continues to closely monitor the developments on this file and actively supporting an upstream approach based on self-certification, without obligations for downstream companies.

**Trade Secrets**

In December 2015, following dialogues, an agreement between the European Commission (EC), Council and European Parliament (EP) was found on the Trade Secrets Directive. The text has now been formally endorsed by the EP.

Orgalime welcomed a robust European framework protecting trade secrets, as the misappropriation and misuse of them represents a serious threat for our industry. Indeed, we had strongly advocated to improve the original EC’s proposal. The compromise text is fundamentally enhanced in some parts compared to the original one.


“...the alignment with international standards from ISO, IEC and ITU, is the way forward for the removal of technical barriers to trade between the EU and the US.”

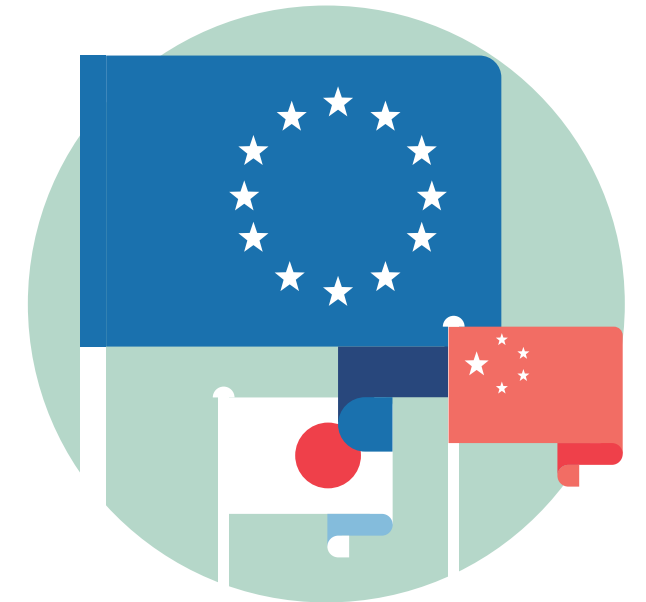
### New Union Customs Code (UCC)

From 1 May 2016, the new UCC applies. Even though the UCC was approved in 2013, many issues have been dealt with in the Delegated and Implementing Acts, published in the Official Journal at the end of December 2015. The main changes brought about by the new Customs Code are the provisions on non-preferential rules of origin, the end of the ‘first sale export rule’, the types of Authorised Economic Operator (AEO), and the application of Binding Tariff Information (BTI). In September 2015, Orgalime co-signed a letter with other trade associations calling for the Delegated and Implementing Acts to bring about the promised real simplifications and innovative solutions, which would strengthen the competitiveness of European companies.

### Common European Sales Law (CESL)

In December 2015, the European Commission (EC) published its proposal for a directive on contracts for the online sales of goods, covering only business to consumer contracts. The 2011 EC proposal for CESL has not in fact been formally withdrawn, but we understand the EC will give political priority to the new online business-to-consumer contract proposal.

The issue of the CESL is an issue on which Orgalime had been very active for several years: we had argued that business does not need a new layer of European contract law and that the best the EU could do is not to interfere at all in business-to-business contracts. We are therefore pleased to see the direction now being taken. 





Željko Pazin



Rozenn Maréchal



Jackie André

*EFFRA, our network's research association which focuses on the European Factories of the Future Public Private Partnership*

This is an area where for a long time Orgalime limited itself to providing input when new framework programmes for R&D were being developed.

As a first step in the broadening of our scope, Orgalime had participated in the setting up of EFFRA, our network's research association which focuses on the European Factories of the Future Public Private Partnership (FoF PPP).

Now we have further broadened our work this year to cover the area of energy research and also to produce, as requested by our members, regular information on EU funding in the area whether under Horizon 2020, the structural funds (in particular Smart Specialisation) or the Juncker (infrastructure) package - European Fund for Strategic Investments (EFSI).

**Horizon 2020**

The European Programme for Research and Innovation (H2020) is now in full swing. The European Commission (EC) is regularly consulting indus-

try on different work plans to which Orgalime is providing feedback. Consultations for the 2018-2020 work programmes are still ongoing and Orgalime is concentrating on the most relevant areas from the 'industrial competitiveness' and the 'societal challenges' pillars of Horizon 2020.

Besides input to the work programmes, Orgalime also contributed to an open survey on the simplification of Horizon 2020 in October 2015, where we commented that increasing the Horizon 2020 budget, refocusing the programme on Research with European added-value (consortia), coupled with limiting single beneficiary schemes and concentrating the funding on priority areas would be beneficial.

While we have traditionally focused more on manufacturing-related R&D, this year has seen a broadening of scope of our work to include the area of energy where we are currently drafting a contribution to a consultation on the development of a comprehensive, integrated Research, Innovation, and Competitiveness Strategy for the Energy Union. We have also been monitoring the activ-



*On a political level, we have not only been active in writing but are participating in the various Council Presidency events.*

ities of EC’s Energy Efficiency Financial Institution Group (EEFIG).

Finally, we are supporting the work of research in the area of metrology where we participate as a member of the Research Council of the European Association of National Metrology Institutes (EURAMET).

On a political level, we have not only been active in writing but are active in the various Council Presidency events, with our President regularly participating, often as the keynote opening speaker or as one of the industry representatives on a panel: over the last year this has included the Manufuture or Industrial Technologies events organised by the Greek and Luxembourg and forthcoming Slovak Presidencies and in the coming months of the Dutch Presidency. We also regularly support

our members’ events such as the one organised by our Swedish member on ‘Achieving the renewal of European industry through collaboration’ and the ‘Manufacturing Performance days’ organised in Tampere by our Finnish members. Finally, we regularly participate in conferences such as the EC’s ‘Demand side innovation’ conference.

**Public Private Partnerships (PPPs)  
and Joint Technology Initiatives (JTIs)**

We have continued our support for the research association – EFFRA – which is partner of the European Commission (EC) for the execution of the European Factories of the Future Public Private Partnership (FoF PPP). We have also monitored other PPP and JTI programmes which are relevant for the engineering industries.

**Innovation and its financing**

We continued monitoring a number of the financing initiatives including the European Fund for Strategic Investments (EFSI) and activities of the European Investment Bank (EIB) (the EIB started to finance projects and has agreements with local banks under EFSI); the European Investment Project Portal (EIPP) that aims to boost projects visibility to a large network of international investors that the EU is finalising and EU activities in the area of venture capital: indeed, the European Commission (EC) mentioned that it will launch a Pan-European Venture Capital Fund of Funds,

*Orgalime is concentrating on the most relevant areas from the ‘industrial competitiveness’ and the ‘societal challenges’ pillars of Horizon 2020.*

as part of the Capital Markets Union. In summer 2016, the EC together with the European Investment Fund (EIF) will launch a call to create it.

In the context of the EC’s growing interest in innovation, Orgalime organised a meeting for our President with Commissioner for Research and Innovation Carlos Moedas, where we highlighted the importance of industry driven programmes with the support of public co-funding and the impact of this on the participation and development of the innovation capacity of smaller companies, which we believe is essential for the success of these companies on EU and world markets. We also thanked the Commissioner for his work on ‘INNOV Re-fit’ which looks at the required regulatory changes needed to ensure that companies are able to innovate in an increasingly digitalised world.

Following on from this discussion, Orgalime is therefore now contributing to the so-called ‘European Innovation Council’ call for ideas.


**European Institute of Innovation  
and Technology (EIT) - Knowledge  
and Innovation Community (KIC)**

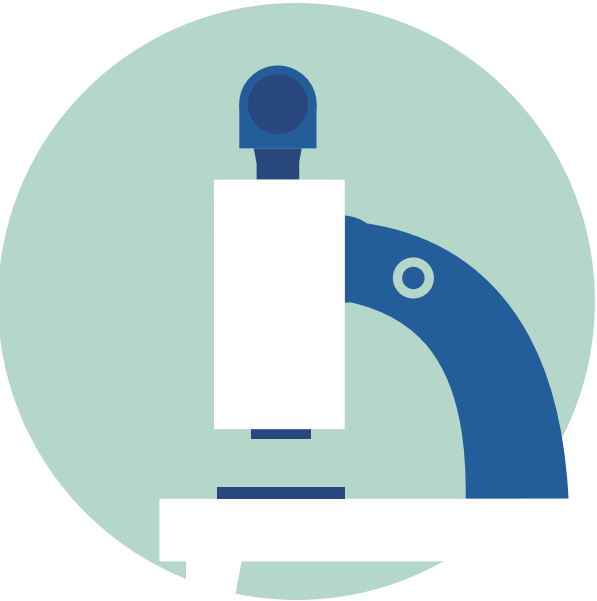
The European Institute of Innovation and Technology (EIT) has published its call for the establishment of a Knowledge and Innovation Community (KIC) for added-value manufacturing. The aim is to bring together leading higher education institutions, research labs and companies to form a cross-border partnership (KIC) for advanced manufacturing. The KIC aims to develop innovative products and services, boost innovation, foster en-

trepreneurial mind-set (create start-ups and entrepreneurs). Orgalime which has been monitoring progress on this initiative, issued a position paper on this KIC during the year and in 2016 will no doubt continue to monitor the process.

**Cooperation between European,  
national and regional level**

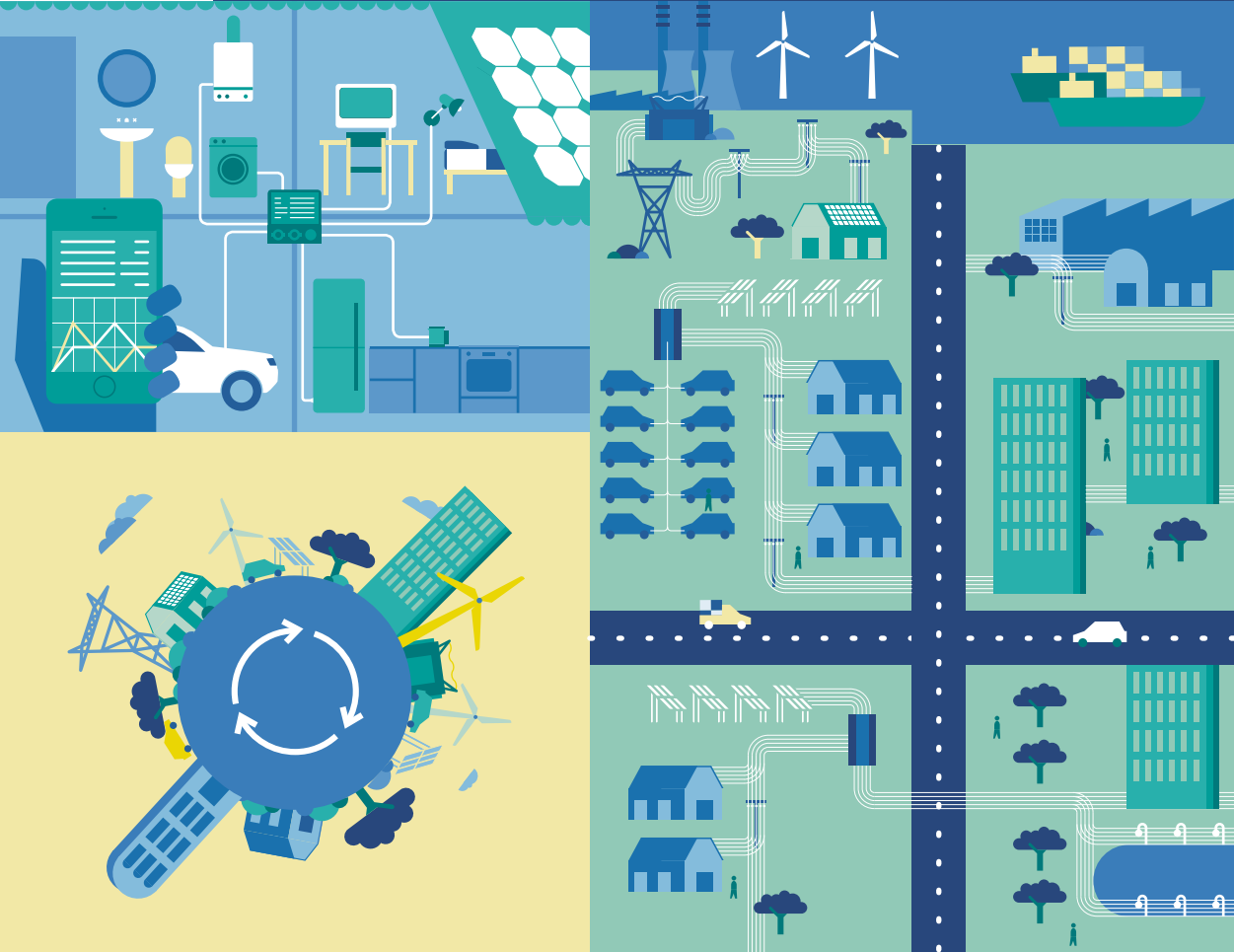
As a significant amount of funding is allocated to regional funds – considerably more than to R&D funding - we have also been encouraging members to look closely at the ‘Smart Specialisation’ strategies at national level as a source of further funding for the period 2014-2020.

We also monitor the ‘Seal of Excellence’ which is the way the European Commission (EC) (EC) tries to find synergies between Horizon 2020 and other sources, for example the European Structural and Investment Funds (ESIF). 





# Energy, Environment & Climate Change Policy



Sigrid Linher



Maria Chiara Detragiache



Ulrich Fikar



Deborah Girasa

*We believe in consumer empowerment to drive the energy transition.*

Two of the headline priorities of the Juncker Commission, Energy Union and Circular Economy, marked our work of the past year. Our main focus was to promote tapping policy synergies and to underline that the use of ICT enabled technologies delivers both resource and energy efficiency and therefore will help the EU reach its objectives in these fields. We demonstrated it at our EU Sustainable Energy Week event entitled ‘Energy meets Digital, Industrial & Circular Sustainability: Travel to the Future!’ We also voiced it in our two position papers on the Circular Economy: ‘Circular Economy: how it can work for manufacturing’ published in August 2015 and one from April 2016 on the Action Plan Circular Economy. On the implementation side, our activities continued evolving around the 2030 Energy Strategy and on the Road to Paris, the Internal Energy Market, more energy efficiency and renewable energy sources, smart and flexible energy infrastructures, and in the environment sector on the implementation of existing regulations and on pushing for holistic and sustainable product, chemicals and waste policies.

### Building the Energy Union

On 25 February 2016, the Energy Union had its 1st anniversary – we drew first conclusions on the topic at that day’s conference of the Jacques Delors Institute opened by Vice-President Šefcovic that day. Throughout the year, we promoted bringing the Energy Union’s benefits to consumers through a more competitive energy market, ‘energy efficiency first’ and more coherent policies. We provided our views ahead of the European Summit to Heads of State in March 2015, and commented on the European Parliament’s (EP’s) draft report of Rapporteur Gróbarczyk’s ‘Towards the Energy Union’ of November 2015.

Empowering the consumer and giving him choices resounded loud and clear on 13 October when Orgalime hosted an Energy Union debate in partnership with the European Forum for Manufacturing (EFM). Our Director General, Adrian Harris opened by saying that a paradigm reversal was needed – energy providers cannot just go on producing in the same manner that ‘suited’ the



market in the preceding decades – there needs to be consumer choice and empowerment. The industry speakers provided the MEPs present with several clear examples.

In February 2016, Vice President Šefčovič attended Orgalime’s Board of Directors’ meeting to discuss the implementation of the Energy Union. Recommendations on how, after the success of reaching a global climate change agreement in Paris in December 2015, to move towards its successful implementation in the EU and the announced ‘Integrated Strategy for Energy Union, Research, Innovation and Competitiveness’ were discussed at length.

Following the 2015 summer package (that included the new Energy Labelling Framework proposal), the European Commission (EC) has now presented its Energy Security Package, including a new Heating and Cooling Strategy. Next, our attention is on the pending new market design, renewable energies and energy efficiency proposals to come. These will keep us busy in 2016.

**Internal Energy Market**

The Energy Union Framework Strategy announces what should be an ambitious legislative proposal to redesign the electricity market in 2016 and sets out the vision of an Energy Union with citizens at its core.

By October 2015, stakeholders were invited to provide input to the European Commission’s (EC’s) public consultation. In its response, Orgalime welcomed the EC’s commitment to provide a ‘New Deal For Consumers’ and to transform the EU energy system by taking full advantage of available and future innovative low carbon and energy efficiency technologies and services. We called for an immediate implementation of its ten recommendations. We provided our views also ahead of the orientation debate of ministers at the Energy Council in November, and our representative spoke at the Citizens Energy Forum on the role of Distribution System Operators (DSOs).

Smart distribution grids coupled with more energy efficiency and more renewable energies are in our view the ingredients of a resilient, forward looking and future proof European energy system and a smooth energy transition. This we also explained in our response to the EC’s consultation on Renewable Energy Sources in February 2016. Ideally, we would like to see presented a holistic package tackling the new market design, more energy efficiency (through the Energy Efficiency and Energy Performance of Buildings Directives), and more renewable energy. Finally, more coordination and harmonisation of Member States’ actions will be essential, with Integrated National Energy and Climate Action Plans to be linked to the regular State of the Energy Union report. This we highlighted in our response to the related Energy Union Governance consultation in April 2016.

**Energy Infrastructure**

This year, we focused on bringing innovation to the grid at all voltage levels, from transmission to medium and low distribution.

We continued our active membership in the EU Smart Grids Task Force, especially on EG1 work (standardisation) and EG3 work (recommendations for flexibility).

Orgalime also approached the European Network of Transmission System Operators (ENTSO-e) to collaborate on the Ten-Year Network Development Plan (TYNDP) 2016 and to open a dialogue with manufacturers to develop a common understanding of what technology maturity is. Orgalime proposed that the new TYNDP 2016 takes a forward looking approach in terms of maturity of technology, as many technologies, that are in their final stage of development today, will become state-of-the-art within a ten-year horizon.

As regards network codes, we participated in the ENTSO-e online survey on ‘priority issues for the implementation guidance for Connection Codes’ in January 2016 and presented our key issues for implementation of grid codes at the first Agency for the Cooperation of Energy Regulators (ACER) stakeholder committee meeting in March 2016.

Finally, we participated in the TEN-E stakeholder meeting of Thematic and Regional Groups on Smart Grids and TEN-E implementation and submitted our position paper together with our request for being actively involved in the next Energy Infrastructure Forum in June 2016.

**Energy Efficiency**

On 1 October 2015, Orgalime organised an event to mark the 10-year anniversary of the Ecodesign Directive. Opened by a member of the cabinet of Commissioner Miguel Arias Cañete, a wide-ranging audience including European Commission (EC) officials, cross-party MEPs, industry and NGOs alike, took stock of the experiences and lessons learned from the implementation work on more than 40 product groups. In a panel debate, industry and policy makers discussed the future role of the Directive in these days of the Energy Union and Circular Economy.

Orgalime has also this year been providing regular input into the so-called 2015 ‘summer package’, including notably the proposal for a new Energy Labelling Framework Regulation. Further to its position paper on the initial EC’s proposal in September 2015, we commented on the draft European Parliament (EP) report of Rapporteur Tamburrano in spring 2016. As MEPs firmed up on their position, we discussed the matter with them at an event of the European Forum for Manufacturing (EFM) in April.

In addition, at the beginning of 2016, the EC consulted stakeholders on the review of the Energy Efficiency Directive (EED) and earlier, in October 2015 on the review of Energy Performance of Buildings Directive (EPBD) to both of which Orgalime provided detailed comments. We also participated in the EC stakeholder meeting on the review of EED and EPBD and followed up with comments on the EC’s review policy options in April 2016.

“...proper framework conditions and flexibility for companies [...] are pre-conditions to deliver results.”

### Sustainable Transport

Regarding the Directive on the Deployment of Alternative Fuels Infrastructure, which among other deals with the electrification of vehicles and the related infrastructure, entered into force on 18 November 2014, Orgalime published a guide aiming to help manufacturers prepare themselves for the legislation. The guide is available on our publications website <http://publications.orgalime.org/>.

The European Commission (EC) published documents to support the Member States in the implementation of the Directive. The documents were presented to the members of the new Sustainable Transport Forum (STF), of which Orgalime has become a member.

### Resource Efficiency (RE) and Circular Economy Package (CEP)

Orgalime considers Circular Economy a strategic issue for Europe's global competitiveness. The new, more comprehensive Circular Economy Action Plan of December 2015, depending on the way it will be implemented, can either provide a boost or undermine our industry's competitiveness here in the EU. This is again an area where, depending on the approach taken, policy makers will have a direct impact on the costs for manufacturers in the EU to do business here. Unfortunately, it seems that the European Commission (EC) still seems to favour an old fashioned command regulation approach which is highly prescriptive for manufacturers and leaves little room for innovative solutions, including those based on digitisation.

Ahead of the discussions in the Competitiveness and Environment Councils in February and March 2016, we highlighted our priorities and rec-

ommendations to the Presidents of both Councils. To support inclusive, green growth and jobs in Europe, as well as global European technology leadership, the Circular Economy and wider Resource Efficiency actions should tap into the synergies with the EU's Digital and Energy Union frameworks.

We then substantiated our views in our position papers of April 2016 on the Action Plan itself and on the accompanying Waste Legislative Package. We call for starting bottom up through enacting a strict waste policy with strict landfill and waste shipment measures, 'shared responsibility' to complete the existing 'extended producer principle' and the setting of minimum quality criteria for secondary raw materials to stimulate a long term market for recycled materials. We, however, caution regulators on having high expectations in the short term through the Ecodesign Directive in the absence of a common methodology and product specific standards.

Orgalime joined the conference of the Dutch Presidency in January 2016, where some 300 participants from authorities and various stakeholder groups gathered to discuss the CEP. Good end of life legislation, proper framework conditions and flexibility for companies to develop the necessary different new business models are pre-conditions to deliver results. We are now underpinning the CEP work of the Council and the European Parliament (EP) under the lead of its Rapporteur MEP Bonafé.

### Product Policy

The last year was again marked with the challenging implementation of the Ecodesign and Energy Labelling Directives. In our position papers



*Focusing only on the waste phase can hinder innovation.*

from June 2015, we provided our recommendations to the European Commission's (EC's) Discussion Paper 'Ecodesign for energy related products integrated into other energy related products' where we pointed out how to best ensure consistency with the New Legislative Framework (NLF) and the Blue Guide. On the other hand, we commented on the draft material efficiency standardisation request under the existing Ecodesign Directive against the background of the Circular Economy debate.

We then issued a position paper on the socio-economic impacts of increased reparability in August 2015. We took positive note of the appropriate differentiation made between consumer and industrial products, however, challenged the report for not having carried out a proper life-cycle impact analysis. Focusing only on the waste phase can hinder innovation. Only product-group specific, case-by-case impact assessments can determine the feasibility of new requirements.

We also reacted on the EMAS Best Environmental Management Practices Examples (BEMPs) underlining that the listed BEMPs are company specific examples rather than representative references or valid future standards for the entire electrical and electronic equipment (EEE) sector.

**Waste Policy**

In 2015, Orgalime participated in several European Commission (EC) stakeholder meetings and workshops on the implementation of the Waste Electrical and Electronic Equipment Directive

(WEEE 2), as well as on the EC draft implementing measure on a common methodology for calculating 'EEE placed on the market' and 'WEEE generated'. We issued our follow up comments on the draft measure supporting the 'WEEE generated' approach and stressing that 'all WEEE flows' need to be counted.

Moreover, Orgalime continued following the discussion on the harmonisation on registration and reporting requirements under WEEE 2 and attended the related EC workshop. We then co-organised on our initiative a workshop on the practical implementation of article 15 of WEEE 2 together with the European sector organisations CECED, DIGITALEUROPE and LIGHTINGEUROPE. This provision requires manufacturers to provide information for treatment facilities when new electric and electronic equipment (EEE) is placed on the market.

We closely follow the newly proposed Extended Producer Responsibility requirements of the Circular Economy Package considering their possible impact on WEEE management.

**Substance Policy**

The implementation of the Regulation on Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) and the Directive on the Restriction of Certain Hazardous Substances in EEE (RoHS) are still continuing in parallel.

In June 2015, the European Commission (EC) published in the EU Official Journal the delegated Directive including four new restricted

substances in RoHS2. Orgalime is satisfied to see its call for an explicit exemption for spare parts and proper timelines for compliance with the new restrictions reflected. However, we clearly reject the use of the UBA methodology to establish further new RoHS restrictions considering its methodological constraints and inconsistencies with the REACH substance evaluation methodology that applies in parallel.

Throughout 2015, Orgalime kept close contact with the EC in view of an announced RoHS2 scope review proposal due later this year to ensure that secondary market operations of products newly in scope and lawfully placed on the market before July 2019 can continue after that date. Also, an additional spare parts provision for EEE newly in scope of the directive is needed.

As for REACH, Orgalime kept members up-to-date on all downstream user and article manufacturer relevant implementation issues. We submitted comments to the European Chemicals Agency (ECHA) on the creation of a web tool and form for downstream users to notify the use of substances on the authorisation list under certain conditions. ECHA released the tool and the form in September 2015 and took on board industry's comments.

Regarding substances in articles, discussions centred on the impacts of the European Court of Justice ruling on the interpretation of 'articles' for the purposes of REACH articles 7(2) and 33 on the sector, which we initially outlined at the Enforcement Summit Europe in Brussels.

Orgalime thoroughly analysed the first review of the ECHA guidance on requirements for substances in articles and applied for participation in the ECHA Partner Expert Group for the second stage review of the guide in 2016.


We also gave input to the ECHA feasibility

study of a 'Materials Information Platform' and participated in a stakeholder workshop on its results. Finally, Orgalime submitted a joint statement with ACEA (automotive industry) and ASD Europe (aerospace and defence) calling for enhanced quality of safety data sheets, which was positively received by authorities.

**Industrial Emissions Directive (IED) and Air Policy**

The role of the IED has grown over the years and with it the impact that this Directive has on manufacturers and manufacturing investment. As the application of the IED refers to Best Available Techniques reference documents (BREFs) which are developed with industry, so our role in providing expertise in the different fora has grown.

Throughout 2015, Orgalime continued co-ordinating its experts' participation in the review of BREFs and organised an internal seminar to exchange experiences on these relevant documents that set the reference for national permitting authorities to grant permits for manufacturing plants. We also participated in the meeting of the Article 13 Forum, an expert group overseeing the information exchange process on Best Available Techniques under the IED.

Concerning air quality, Orgalime closely monitored the debate on the proposal for the limitation of emissions of certain pollutants from medium-sized combustion plants, which was published in the EU Official Journal in November 2015. The potential overlap between this Directive and the Ecodesign Directive was resolved by the introduction of aggregation rules, which now exclude from the scope combustion plants below 1 MW. 

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## Orgalime Partnership

# Communications



Mark Redgrove



Magdalena Wawrzonkowska

### DIGITILISATION OF THE COMMUNICATIONS STRATEGY TOO...

A majority of all conversations contain the word ‘digital’ somewhere. The winds of change are about us.

Here in Brussels, the talk is about the Digital Single Market – one of the core pillars of EU policymaking currently going through the mill at the European Institutions. However, at the level of organisational communications, digital has at last been accepted to be incorporated throughout a communication strategy – it’s no longer a ‘stand-alone’ chapter, *“oh yes, and don’t forget digital!”*

What does that mean exactly? Of course it means better and thorough strategic use of social channels, but it also means a marked improvement in the use of video, imagery, infographics and data to support/enhance the story being told. We are unlikely to see policymakers engaging in two-way conversation with us (although it can and has happened, at the highest level!), following our account, retweeting and liking our content. It’s sim-

ply not always in their interest to do so. Embracing engagement – as the sole objective of an association Twitter effort – and measuring it only with these numbers is typically a losing proposition. Communication on Twitter is still mostly one-way, meaning that we should focus heavily on ensuring that our messages are delivered clearly, concisely and quickly to our policy audiences. In short, policymakers may not always be tweeting at us (and our counterparts), but they (and/or their staff) are always listening.

Because the content is increasing in volume, this means that we must once again try and stand out above the rest of the noise. The plethora of information available throughout the different platforms has resulted in ‘de-facto’ standards with respect to characters used, length of video played etc. This in turn has resulted in us communicators providing bespoke messages, often one communication equals one message only. We’re having to be resource efficient ourselves, where the resource is airtime, airtime that is getting increasingly shorter!

It is important to say that metrics not visible



to the world – rather behind the scenes in Twitter’s analytics suite or anecdotal evidence gathered in the real world (*“hey, I saw your tweet about...”*) – tend to be a better indicator of whether or not those messages are being successfully consumed.

### ...mind the [portrayal] gap with meaningful communication!

Meaningful communication requires an understanding of the issues, their impact on stakeholders and the concerns that stakeholders have in relation to them. This requires an on-going engagement where those stakeholders have an opportunity to express their views which are heard and responded to. This is why we need to ‘mind the portrayal gap’ – a mismatch in how we portray our organisation’s performance and how it is perceived by ex-

ternal sources. When the gap gets too big, reputation is in the balance!

### New in 2016

Well actually, it was the end of 2015, when Orgalime developed and launched the ‘Manufacturing at Heart’ podcast – designed to help build a manufacturing community enthused at listening to great manufacturing stories – stories told by those that know best. These stories can only help underpin the work of Orgalime by highlighting the importance of a strong European manufacturing sector. Do you have something to tell us about manufacturing? Well get in touch with us. We’d love to hear from you.



# Publications



Željko Pazin



Jackie André



Silvia Selandari

The well-established Orgalime legal publications are renowned worldwide for providing standardised general conditions, model contracts and guides on contractual issues. All of the legal publications are managed by the Orgalime Legal Affairs Working Group, consisting of the heads of the legal departments of our member associations. The model contracts are useful tools for our industry when entering into different types of agreements, such as for licence, distribution or agents. General conditions simplify negotiations and rationalise the handling of contracts and contract relations. They play an essential part in business transactions, especially for the supply of goods and services.

Over the years, companies working in the industry that we represent have put their trust in Orgalime legal publications to provide them with standardised general conditions or models for specific types of contract to simplify business transactions and to be in line with legal requirements for international trade while limiting their legal costs. The legal publications and guides page is the most visited section of the Orgalime website, attracting

many visitors interested in our catalogue of general conditions, model forms and guides and the language versions in which they are available (our bestseller the S 2012 General Conditions for supply is available in 16 languages!).

### Continued success for the standard general conditions

The success of the licensed use of the general conditions S 2012 (General Conditions for the Supply of Mechanical, Electrical and Electronic Products) and SI 14 (General Conditions for the Supply and Installation of Mechanical, Electrical and Electronic Products) continue to prove the reliance companies have on them, both in Europe and worldwide.

Orgalime provides a set of different general conditions to help companies dealing with different types of contract requirements in business-to-business relations: such as Supply of Products (S 2012), Supply and Installation of Products (SI 14), Repair of Machinery and Equip-

*Over 30 European and national associations in the engineering sector have adopted as their own the Code of Conduct for Associations developed by Orgalime.*

ment (R 02), Maintenance (M 2000), as well as a Turnkey Contract covering the delivery of complete industrial installations or plants.

Orgalime published the S 2012 Guide, a detailed commentary which offers interpretations and explanations of the provisions of the S 2012 conditions which lawyers and non-lawyers alike will find very interesting when using the S 2012 conditions for supply – the bestseller of the legal publications.

### A Model Code of Conduct for associations

Over 30 European and national associations in the engineering sector have adopted as their own the Code of Conduct for Associations developed by Orgalime. The Code of Conduct aims to provide clear rules for associations and companies to limit the risk of receiving heavy fines from competition authorities. Since not all associations in the engineering sector have developed their own code of conduct, Orgalime has formulated a model for a code of conduct for use by associations within the engineering sector.

These rules are used as Orgalime’s own Code of Conduct binding all members and other participants working on an Orgalime platform. The Code of Conduct is also available to all European or national sector committees in the engineering industries, many of which, that have not developed their own code of conduct, use.

Associations based in Europe interested in using this model Code of Conduct as their own can get further information from the Orgalime secretariat.

### RECENT RELEASES

#### Model form of Consortium agreement

Orgalime updated the Model Contract for a Consortium Agreement. Orgalime has always known how important a practical model contract is for the creation of a consortium and has hence provided the industry with relevant texts for many years. This model form is intended for use when 2 or more companies agree to co-operate on a specific project. The consortium tenders for a project and, if the tender is successful, performs the contract with the customer. The contract is usually for supply and construction of a fairly large industrial installation. The consortium is dissolved once the project has been completed. Among the important items are the project manager’s authority, and members’ liability toward the customer, each other and third parties.

The model is written for what is generally referred to as an open consortium, that is, the consortium acts as such towards the customer.

#### Model Form of Exclusive Agreement with Distributors Abroad

The most popular of the model forms has been recently updated by Orgalime: the Model Form of an Exclusive Contract with a Distributor Abroad. This Orgalime model contract has already existed for many decades and has always been one of Orgalime’s most widely-used models. It is updated whenever necessary to take legal developments in-

*This Orgalime model contract has already existed for many decades and has always been one of Orgalime's most widely-used models.*

to account. This new version reflects the changes in EU competition law that followed from new rules issued in 2010 by the European Commission (EC).

**FUTURE RELEASES**

Update of existing legal publications: Maintenance Conditions (M 2000), Development Contract, and Conditions for Repair of Machinery (R 02).  
New legal publications: Supplementary Conditions to Orgalime S 2012 for Minor Installation Work (MI 16), Conditions for Standards Goods, and a Consultancy Agreement.

**HOW TO ORDER ORGALIME PUBLICATIONS?**

Orgalime publications are available from Orgalime member associations. A list of members as well as the specific contact details can be found on Orgalime’s website <http://www.orgalime.org/page/how-order>

**LICENSING**

Companies that would like to attach an electronic version of Orgalime’s General Conditions when sending tenders and contracts by email to their customers and suppliers must obtain a licence to do so. These licensing agreements can be obtained through our licensing website <https://licensing.orgalime.org>

**ORGALIME PUBLICATIONS**

Further information on these publications and their language availability can be found on our website <http://www.orgalime.org/>.  
All our general conditions are available in both hard copy and in electronic form. The electronic use of the general conditions is only allowed under a special licence agreement with Orgalime.  
Please visit our website <http://licensing.orgalime.org> to subscribe to a licence agreement.

**General conditions**

- General Conditions for the Supply of Mechanical, Electrical and Associated Electronic Products (S 2012)
- General Conditions for the Supply and Installation of Mechanical, Electrical and Electronic Products (SI 14)
- Supplementary Conditions for the Supervision of Installation of Mechanical, Electrical and Electronic Products (S 2012 S)
- General Conditions for Computer Software (SW 14)
- General Conditions for Maintenance (M 2000)
- General Conditions for the Repair of Machinery and Equipment (R 02)
- General Conditions for the Manufacture and Supply of Specially Designed Components (SC 06)
- General Conditions for Series Processing (SP 99)


**Model Forms**

- Consortium Agreement
- Contract for Technical Work on Site
- Exclusive Agreement with Agents Abroad
- Exclusive Contract with a Distributor Abroad
- International Technology Licence Agreement (inside EU/EEA version)
- International Technology Licence Agreement (outside EU/EEA version)
- Non-disclosure Agreement
- Original Equipment Manufacturer Contract (OEM Contract)
- Turnkey Contract for Industrial Works

**Guides**

- Co-operation Agreements: A Short Guide to the Creation of a Joint Venture
- Drawings and Technical Documents – Ownership and Protection Against Improper Use
- European Competition Law in Practice – 30 Key Points
- Guide for Drawing up an International Development Contract
- Guide to Contractual Options for B-2-B Equipment under WEEE
- Guide to Defect Liability in Europe
- Orgalime General Conditions S 2012 – Guide on their use and interpretation
- Security for Payment in Credit Sales
- Understanding WEEE & RoHS Guide

**Guides available for free download on our website <http://publications.orgalime.org>**

- A Practical Guide to Understanding the Specific Requirements of Construction Products Regulation
- Alternative Fuels Infrastructure Guide
- Guide on Assembly under Pressure Equipment Directive
- Guide on the Pressure Equipment Directive
- Guide on the Recast RoHS Directive
- Orgalime Practical Guide for Downstream Users, Article Producers and Article Importers for Understanding REACH
- RoHS Guide
- RoHS Recast Scope Guide
- WEEE & RoHS Scope Guide 

# Orgalime Partnership



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## CONNECTING WITH THE SECTORS

The Orgalime Partnership is the Orgalime department working directly with the sector associations of the engineering industry. With a multidisciplinary team of advisers, it offers tailored services ranging from monitoring to advocacy, association management, communication and strategy.

The Orgalime Partnership was created more than 15 years ago to meet the needs of various sector associations: a Brussels representation, targeted information, visibility and recognition as the sector's voice, advocacy for regulation and policy. Now with its team of 10 dedicated staff, it offers services to 9 associations (both Orgalime members and non-members) and a full secretariat to another 11.

## Partnership services

Based on the needs of the sector associations, the Partnership has developed several tools and services that lie at the core of its work:

- **The Orgalime Partnership bulletin**, issued **5 times a year**, gives comprehensive targeted information on EU regulation, proposals, programmes and legislative developments.
- **The Monitoring service** includes an early warning system for developments on priority issues and support for the legislative process.
- **Advocacy tools** cover communication, public relations and public affairs activities.
- **Association management** or general secretariat services ensure professional and flexible support, tailored to needs and budget.
- **Business intelligence** comprises research, market surveys and statistics on industries.

→ **Project management and support** is provided for clearly defined activities such as working groups, platforms and industry initiatives.

**The Orgalime Partnership offers full secretariat services to:**

- AREA – Air conditioning and refrigeration contractors
- CEIR – Taps and valves
- EGMF – Garden and turf equipment
- EIA – Irrigation
- ESMIG – Smart energy solution providers
- Europump – Pumps
- FEM – Materials handling, lifting & storage
- FEM IS – Material handling & storage - intralogistic systems
- GCP Europe – Heating, ventilation, air conditioning and plumbing contractors
- PNEUROP – Compressors, vacuum pumps, pneumatic tools and air & condensation treatment equipment
- T&D Europe – Electricity transmission & distribution equipment and services

**The Orgalime Partnership also offers services to:**

- CECAPI – Low voltage equipment
- CEMEP – Electrical machines and power electronics
- CEO – Hand tools and anchor fixings
- EFCEM – Catering equipment
- EIFI – Fasteners
- EPTA – Power tools
- EURALARM – Fire & security systems
- EUROPACABLE – Wire and cable

→ EUROVENT – Refrigeration, air conditioning, air handling, heating and ventilation

**HIGHLIGHTS OF THE PAST YEAR**

**Lobbying Workshop**

The Orgalime Partnership organised for the first time a practical workshop on lobbying on 18-19 February 2016. The aim was to shed some light on how the EU regulatory process works and how the advisers in the Partnership approach lobbying.

The workshop was targeted at representatives of the sector associations to which the Orgalime Partnership provides secretariat services to help them better understand the EU decision-making process, the added value of Orgalime as a service provider in lobbying, and their individual and company roles in providing support and information in a timely fashion.

The workshop was divided into a theoretical part explaining the framework and a practical part to illustrate the process through a concrete case study in which participants played an active role.

The workshop was fully booked and the feedback received after it was positive. This clearly shows the need for those who are outside Brussels to have an up-to-date and practical view on the current EU policy climate and methodology in the areas that interest them most. Therefore, more workshops will be organised to share knowledge and increase cooperation and transparency with sectors and partners.

**FROM THE SECTORS**

**Main policy issues followed:**

- Exhaust emissions of Non-Road Mobile Machinery (NRMM)
- Energy Performance of Buildings Directive (EPBD)
- Ecodesign Directive and its implementation measures
- Chemicals policy – Registration, Evaluation and Authorisation of Chemicals Regulation (REACH) and Restriction of Hazardous Substances Directive (RoHS)
- Heating and Cooling Strategy
- Energy Union strategy: Internal Energy Market, Energy Efficiency, infrastructures (smart grids), Strategic Energy Technology Plan (SET-Plan)
- Machinery Directive (MD)
- Equipment used in potentially explosive atmospheres (ATEX Directive)
- Pressure Equipment Directive (PED)
- Low Voltage Directive (LVD)
- Electromagnetic Compatibility (EMC) Directive
- Outdoor Noise Directive (OND)

**Advocacy and Lobbying**

- AREA was involved in the development of an international competence scheme for installers.
- AREA coordinated a joint industry position on the review of the Energy Labelling Directive.
- GCP Europe joined the BUILD UP platform (The European Portal For Energy Efficiency In Buildings) as a partner organisation.
- ESMIG created a manifesto about the new energy market to communicate its positions to-

wards the European Institutions.

- T&D Europe made its case against the inclusion of certain substances in the REACH authorisation list.

**Publications**

- FEM published a guide to explain the application of the Construction Products Regulation (CPR) to the materials handling industry.
- FEM Intralogistic Systems published ‘*A practical guide for a successful intralogistic system project*’.
- Europump published a handbook ‘*Assessing the energy efficiency of pumps and pump units. Background and methodology*’ written together with Darmstadt University of Technology.
- Europump published a new edition of the brochure outlining its energy commitment. This commitment to achieve real energy savings is underpinned by academic research, 100% financed by Europump members.
- ESMIG published an updated comprehensive report on the status of the roll-out of smart meters in EU countries.

**Business Intelligence**

- FEM published the first world statistics on the production value of materials handling equipment.
- EGMF carried out a market analysis of the garden machinery industry in Europe.


**Projects/initiatives**

- 11 sectors serviced by the Partnership joined The Industry Group on European Standardisation Strategy (INGRESS). The alliance, coordinated by Orgalime, aims at ensuring that industry is appropriately involved in European standardisation policy.
- FEM, EGMF, CEIR, PNEUROP and Euro-pump created a joint initiative 'Exports to Turkey'.
- FEM Mapping Initiative: FEM organised several visits by MEPs to member companies. The initiative aims at presenting FEM, its members and the industry through a visit to a company located in the MEP's constituency.
- FEM IS initiated a study on the energy consumption of intralogistic systems together with the Karlsruhe Institute of Technology (KIT).
- ESMIG extended its scope to become the European voice of smart energy solution providers.
- ESMIG, together with EDSO (European Distributors System Operators) launched the 'My Smart Energy' campaign ([www.my-smart-energy.eu](http://www.my-smart-energy.eu)), a new pan-European portal for energy consumers.
- EGMF drafted the first performance standard for one of the industry's most innovative products, the robotic mower.
- Orgalime supported CECAPI in the Market Surveillance Support Initiative (MSSI), from a project phase to the official deployment phase. The secretariat coordinated many meetings, supported new work items (especially the communication plan) and helped with the finalisation of the MSSI Charter.
- T&D Europe coordinated its members' response to an antidumping case launched by

the EU steel industry on the import of a special steel used for the manufacture of transformers.

- T&D Europe successfully finalised its participation in the R&D eHighway2050 project.

























**Events – organisation and representation at European and international events:**




















- CEIR organised a workshop on the application of the Machinery Directive (2006/42/EC) to industrial valves.
- ESMIG organised two successful workshops during the European Sustainable Energy Week on 'Making the benefits of smart energy understandable - another step towards consumer awareness and engagement' and on 'IDEAS to capture the potential of flexible demand'.
- ESMIG organised a joint participation for its members at European Utility Week and a strategic programme on 'Meter economics: getting the unaccounted benefits clear'.
- FEM Secretary General, Olivier Janin presented the impact of Industry 4.0 at two events held during the CeMAT Asia show in Shanghai.
- FEM IS hosted a round table on new trends in relationships with customers and the impact on the intralogistics sector.
- GCP Europe and European Association of Electrical Contractors (AIE) organised a European Joint Installer Summit (mechanical and electrical contractors).
- T&D Europe organised an energy policy conference event on innovative technologies, with high-level participants from the EU Institutions, industry and other associations. 

“Therefore, more workshops will be organised to share knowledge and increase cooperation and transparency with sectors and partners.”



# Members

AUSTRIA		BELGIUM		BULGARIA	CROATIA	
 FEEI		 FMSI		 AGORIA	 BASSEL	 CEA
 CROATIAN EMPLOYERS' ASSOCIATION		 HGK				
DENMARK		FINLAND		FRANCE		
 Confederation of Danish Industry		 The Federation of Finnish Technology Industries		 FIEEC		 FIM
GERMANY		HUNGARY		IRELAND		
 VDMA		 Wirtschaftsverband Stahl- und Metallverarbeitung e.V.		 Die Elektroindustrie		 MAGEOSZ
 Irish engineering enterprises federation						
ITALY		LATVIA		LITHUANIA		
 ANIE		 ANIMA		 Association of Mechanical Engineering and Metalworking Industries of Latvia		 LINPRA
LUXEMBOURG		THE NETHERLANDS		NORWAY		
 Fedil Metal		 FME		 METAALUNIE		 Norsk Industri

<div>POLAND</div> <div><div>Polska Izba Gospodarcza Elektrotechniki</div></div> <div>Polish Economic Chamber of Electrotechnics</div>	<div>PORTUGAL</div> <div><div>AIMMAP</div><div>ASSOCIAÇÃO DOS INDUSTRIAIS METALÚRGICOS, METALOMECÂNICOS E AFINS DE PORTUGAL</div></div> <div>AIMMAP</div> <div><div>aneme</div><div>ASSOCIAÇÃO NACIONAL DAS EMPRESAS METALÚRGICAS E ELECTROMECÂNICAS</div></div> <div>ANEME</div>	<div>SLOVENIA</div> <div><div>Gospodarska zbornica Slovenije</div><div>Chamber of Commerce and Industry of Slovenia</div></div> <div>GZS-MPIA</div>	<div>SPAIN</div> <div><div>Sercobe</div></div> <div>SERCOBE</div>
<div>SWEDEN</div> <div><div>Teknikföretager</div></div> <div>TEKNIKFÖRETAGEN</div>	<div>SWITZERLAND</div> <div><div>SWISSMEM</div></div> <div>SWISSMEM</div>	<div>UNITED KINGDOM</div> <div><div>beama</div></div> <div>BEAMA</div> <div><div>eama</div><div>Engineering and Machinery Alliance</div></div> <div>EAMA</div> <div><div>GAMBICA</div><div>AUTOMATION, INSTRUMENTATION &amp; CONTROL LABORATORY TECHNOLOGY</div></div> <div>GAMBICA</div>	
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<div>EUROPE</div> <div><div>EGMF</div><div>European Garden Machinery Federation</div></div> <div>EGMF</div> <div><div>euralarm</div></div> <div>EURALARM</div> <div><div>Europump</div></div> <div>EUROPUMP</div> <div><div>FEM</div></div> <div>FEM</div> <div><div>pneurop</div></div> <div>PNEUROP</div>			



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