



# IN BRIEF



November 2017

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## Welcome!

Welcome to the November edition of In Brief – the newsletter that keeps you up to date on the latest Brussels developments affecting engineering and manufacturing.

It's official: European engineering firms are already reaping the benefits of digitisation and data-driven business. [Orgalime's latest figures](#) show a significant upswing across sectors, with the industry growth rate for 2017 set to top 4 percent. Employment is up, too: in fact, aggregate figures suggest that by 2018, engineering firms will have created over 300,000 EU jobs in just four years.

But the spectre of low investment continues to loom on the horizon. Although there has been an uptick in industrial investment since 2016, the [EU-US investment rate gap](#) has widened further, while China – with its ambitious and well-funded '[Made in China 2025](#)' programme – is snapping at Europe's heels. Without reinforced incentives to attract manufacturing investment back to the EU, there is a very real risk that industry's recovery could be nipped in the bud.

How can we nurture the green shoots of growth in the engineering sector and beyond? For Orgalime, the answer is clear: it is time to take concrete action to deliver an ambitious and forward-looking industrial strategy at European level – one that focuses on creating an attractive environment that can draw investment back to the EU on a sustainable basis.

**Know someone who would be interested in reading the latest on Orgalime's work? Feel free to share this newsletter with your network:**



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Forward

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## Leading lights from industry and policy assemble at #OrgalimeGA

The Orgalime autumn General Assembly in Brussels is always an unmissable event, and this year's programme did not disappoint: Commission Vice-President Andrus Ansip discussed the opportunities and challenges of the data economy with industry representatives at the vanguard of the digital transformation; China expert Jost Wübbeke gave a fascinating insight into the Asian giant's manufacturing strategy; Deputy Director-General of DG Trade Joost Korte outlined the challenges facing Europe in global trade; and Budget Commissioner Günther Oettinger shared his thoughts on the role of EU funds in strengthening manufacturing competitiveness.

The afternoon session was followed by a memorable evening celebrating the successful career of Orgalime Director General Adrian Harris, who is set to retire at the end of this year.

Read our top ten takeaways from the two days [here](#), and check out our [Flickr gallery](#) for photos from the event.



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## Digitisation starting to pay dividends: latest economic data for the engineering sector

The figures are in, and it's good news for engineering firms as we approach the end of 2017. Orgalime's economists have compiled and analysed the latest

turnover stands at €1,997 billion over twelve months, while employment has topped 11 million.

For Orgalime's President Tomas Hedenborg, the reason for this impressive performance is clear: digital innovation. "We have been talking for some time about how digitisation and data are boosting productivity and fuelling growth in our industry," he explains. "This year, the figures leave no doubt that these innovations are already making a difference to companies' bottom lines – and we are only at the beginning of this digital transformation."

Get the full economic report [here](#).



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## Turning ambition into action: Orgalime's response to the Commission's Industrial Strategy Communication

The recent Commission Communication on an EU Industrial Strategy was a welcome first step towards a joined-up approach to industrial policy at European level. However, it did not go much beyond a stock-taking exercise: we still lack a long-term vision of how to attract manufacturing investment to the EU and boost the competitiveness of our companies on the global stage.

Orgalime's latest position paper addresses these shortcomings, presenting concrete proposals to deliver on those goals: addressing in particular the role of regulation in an era of digitisation, the urgent need to reinforce the Single Market, and the value of EU funds in stimulating innovation across borders.

The paper also features an in-depth analysis of the investment situation in European industry. We give our assessment of the reasons underlying the current lacklustre dynamics, and our recommendations for how policy at EU and national level can work together to attract manufacturing investment back

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[Click here](#) for the full story.

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## If it ain't broke... Orgalime's views on Machinery Directive evaluation report

The Machinery Directive is the core EU legislation regulating mechanical engineering products in Europe, putting it high on the regulatory radar for many companies represented by Orgalime. Following the European Commission's decision to evaluate the Directive within the framework of its Regulatory Fitness and Performance (REFIT) Programme, an evaluation report has now been published identifying a number of areas for improvement.

Orgalime has responded in a new [position paper](#), once again stating our firm position that the Directive is performing well and remains fit for purpose in the age of digitisation. We have given many examples of how digitisation in machinery is already catered for in the existing Directive. Any revision could lead to uncertainty for engineering companies, damaging the competitiveness of European manufacturing.



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## Win-win RoHS amendment outcome: good for the circular economy, good for industry

EU legislators demonstrated this month that they have the foresight to balance economic and environmental objectives, with the adoption of a Directive revising the scope of the 2011 Directive on the restriction of the use of certain hazardous substances in electrical and electronic equipment (RoHS Directive).

The new Directive resolves a shortcoming in the 2011 RoHS legislation, which would have run counter to the goals of a circular economy: it would have prevented the use and repair of used electrical and electronic equipment and forced scrapping of appliances that were still fully functional. The positive RoHS

and waste legislation.

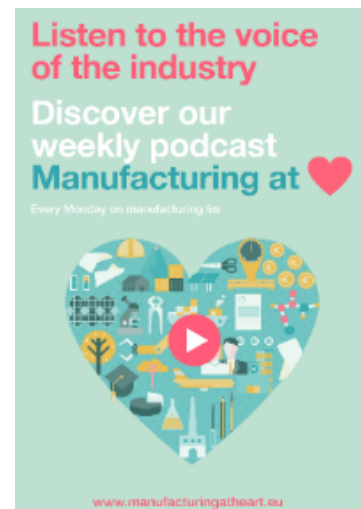
Details available [here](#).

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## Manufacturing at Heart

The Manufacturing at Heart podcast is back: [two brand new episodes](#) are available to stream now – tune in to hear stories from the aerospace and the fashion industry.

Do you have a manufacturing story to tell? We would love to hear from you! If you are interested in participating in the Manufacturing at Heart podcast, just drop us a [line](#).



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## About Orgalime

Orgalime is the European federation representing the interests at the level of the EU institutions of the European mechanical, electrical, electronic and metal articles industries as a whole.



**32**

national member federations



**10**

associate members  
(European sector associations)



**23**

countries represented



**11 million**

direct workers



**2000 billion**

turnover (in 2016)

[www.orgalime.org](http://www.orgalime.org)

