

PRESS RELEASE

Brussels, 5 May 2021

Industrial strategy must take full advantage of Europe's global leadership in advanced manufacturing

Orgalim welcomes the ambitious approach for strengthening the global competitiveness of Europe's industries, while learning from the Covid19 crisis to adjust the EU's policy toolbox, which the European Commission presented today in its updated industrial strategy.

Like many other sectors, the crisis has significantly impacted Europe's technology industries. In our <u>spring economic report</u> released yesterday, we are still seeing an incomplete recovery in Europe's technology industries with turnover forecast to grow by 5.8% in 2021, which would not enable a return to pre-crisis levels this year. We also expect a further drop of 1% in employment, exacerbating the loss of approximately 220,000 direct jobs in the course of 2020.

The industrial strategy therefore comes at a crucial moment. We welcome the Commission's recognition that advanced manufacturing is of strategic importance for the EU's industrial future and its green and digital transformation – and is one of the few technology fields where European companies currently enjoy an undisputed global lead. These technologies will be central to supporting the future global competitiveness of Europe's manufacturing industries. However the industrial strategy fails to recognise how fast this global leadership is being eroded, as deployment in Europe lags behind its potential and other markets are investing heavily in claiming Europe's top spot.

To maintain Europe's leadership and avoid future dependencies in advanced manufacturing and related technologies, a stronger European focus on this field is needed. We therefore call on the European Commission to complement the work on the previously identified ecosystems and industrial alliances with a commensurate focus on key transversal aspects. We also call for the stated focus on strengthening the Single Market, which Orgalim strongly supports, to be implemented jointly with industry as core partner. In particular, improving market surveillance, addressing the current deficiencies in the European Standardisation System and safeguarding the New Legislative Framework as the foundation of innovation-friendly regulation in our industries must be core priorities.

Orgalim represents Europe's technology industries, comprised of 770,000 companies that innovate at the crossroads of digital and physical technology.

Our industries develop and manufacture the products, systems and services that enable a prosperous and sustainable future. Ranging from large globally active corporations to regionally anchored small and medium-sized enterprises, the companies we represent directly employ 11.326 million people across Europe and generate an annual turnover of €2.126 billion. Orgalim is registered under the European Union Transparency Register – ID number: 20210641335-88.

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+32 2 206 68 83 secretariat@orgalim.eu www.orgalim.eu VAT BE 0414 341 438 Finally, Europe's trade policy is rightly identified as a core element for the industrial strategy. With our industries relying heavily on global value chains and export markets for future growth, we welcome the industrial strategy's focus on global supply chains and a level global playing field. Europe's ambition for open strategic autonomy must remain embedded in a commitment to open markets and global partnerships, which are at the heart of our ability to continue generating prosperity for Europe's citizens.

As a member of the European Commission's Industrial Forum, we look forward to bringing forward these discussions in collaboration with Member States, civil society and other industry partners.

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Notes for Editors:

About Orgalim

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Orgalim is the foremost voice of Europe's technology industries at the EU level, working with policymakers to strengthen their sectors' growth and global leadership, maximise their contribution to Europe's economy and society and foster a new relationship of trust between businesses and citizens. We are shaping a future that's good.

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