



# PRESS RELEASE

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## Europe's technology industries cut growth forecasts as war in Ukraine rages

After a strong start to 2022, Europe's technology industries are forecasting sharply lower growth for the full year, hit hard by the impacts of the war in Ukraine. The latest biannual report from Orgalim forecasts 3.8% growth in nominal terms for the European mechanical engineering, electrical engineering and electronics, ICT and metal technology industries, despite healthy order books and double-digit growth last year.

"After recovering robustly in 2021, Europe's technology industries find themselves strongly exposed to the indirect impacts of the war in Ukraine. We expect further growth in 2022, but the downside risks are considerable," said Malte Lohan, Orgalim's Director General.

### Rising prices, supply bottlenecks have a major impact

European technology industries' production grew a healthy 12.8% last year emerging from the pandemic. But supply bottlenecks – for metal products like sheet steel and electronic components, among other things – have worsened since the start of the war and are slowing production, while a surge in the price of industrial metals, energy and other raw materials is squeezing margins, Orgalim reports.

"Our technology industries are very susceptible to the indirect impacts of the war in Ukraine – more so than to the direct consequences relating to export and import restrictions," explained Martin Baminger, chair of the Orgalim Economics & Statistics Working Group and Economist at FMTI, the Austrian Association of Metal Technology Industries.

Despite the uncertain situation, Europe's technology industries are positive about employment prospects, expecting 1.4% growth in jobs in 2022, more than making up for a slight drop last year.

Read the full report on the Orgalim website [here](#).

### Ends

*Orgalim represents Europe's technology industries, comprised of 770,000 innovative companies spanning the mechanical engineering, electrical engineering, electronics, ICT and metal technology branches. Together they represent the EU's largest manufacturing sector, generating annual turnover of over €2,480 billion, manufacturing one-third of all European exports and providing 10.97 million direct jobs. Orgalim is registered under the European Union Transparency Register – ID number: 20210641335-88..*

## Notes for Editors:

### About Orgalim

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 10.97 million people across Europe and generate an annual turnover of €2,480 billion.

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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*For more information, visit <http://www.orgalim.eu/> or follow us on [Twitter](#) and [LinkedIn](#).*

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