

**SPEAKING FOR  
EUROPEAN ENGINEERING**  
ANNUAL REPORT 2011 / 2012



MECHANICAL

METALWORKING

ELECTRICAL & ELECTRONICS

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# PRESIDENT'S MESSAGE

Now that demand is picking up again, should we be investing in the EU or outside?

When I spoke about the situation of our industry last year in our annual report, I felt that the outlook was not only brighter on the economic side, but also that with the EU2020 agenda, industry was back in fashion in Brussels.

This was very important because we could see quite clearly that we had reached the situation in Europe where companies were treading a fine line as they asked themselves that very question.

Where are we today after a year of great uncertainty with the euro and a number of European countries coming under attack in the financial markets? In recent months Europe's focus has been on re-establishing budgetary orthodoxy, essentially through the introduction of austerity measures. Such an approach, while necessary, is to my mind only part of the solution: for austerity to be acceptable to citizens, it needs to be accompanied by hopes of better times ahead, which only economic growth can provide. And for the time being this growth must inevitably come from the private

sector. It is therefore time that both national governments and the EU institutions focus once again on wealth creation, not only paying lip service to the concept, with politicians trumpeting about growth in the media, but taking effective measures which will achieve this aim.

First and foremost this requires that we who work in the private sector, who have the choice as to where we site our productive investments, should find it attractive to invest in the EU. Europe depends on the innovative power of its industries both large and small to compete globally, to secure jobs and growth, to meet ambitious environmental objectives, and to ensure a healthy economic environment for its citizens. Our industry, as a key pillar of the economy, has all the assets to help deliver on these goals.

We therefore find it very frustrating to see how rarely the word "industry" is mentioned by our political leaders: it was mentioned only once in President's Barroso's State of the

Union 2011 address and not even a single time in the statement of the members of the European Council "Towards growth-friendly consolidation and job friendly growth" in January 2012. Industry is not a dirty word! Is it possible that the vision of Europe's leaders today is of a European economy and recovery without manufacturing?

I am not alone in my concerns: just a few days ago a major manufacturer from one of our client industries published a full page advertisement in a Brussels newspaper with the title "Who dares invest in Europe?" where the core comment was that Europe was not getting the balance right in terms of setting a realistic and dependable framework for investment.

I would like to stress that we have many strong points of attraction for investors here in Europe: a large and wealthy market of some 500 million consumers, a still extensive industrial supply chain, a population which is in general well educated, even if we complain of lack of skilled

personnel, good communication and telecommunication infrastructures and last, but not least, excellent research facilities and researchers.

What is going wrong then? If much of today's investment is concentrated in fast growing markets, as is logical, this does not explain why companies are now investing more and more outside Europe to supply their final products into our markets. The answer is quite simple: the balance is no longer right. It is not so much a question of cost; it is increasingly that companies are no longer willing to put up with Europe going on in a 'business as usual mode', with constant chopping and changing of policy and of the regulatory environment. This engenders legal uncertainty and unpredictability which manufacturing investors who are looking at a ten year horizon or even further are not prepared to risk. In Europe, hardly has legislation been enacted that there is a review and practically inevitably more legislation, more changes, more administration and more costs. What policymakers must realise is that in Europe if we are to get out of the vicious maelstrom of financial crisis followed by austerity and yet more austerity, we must once again learn to woo manufacturing investors as our competitors in the fast emerging countries are doing so successfully.

So in the last months of my Presidency of Orgalime, - I am in my third and final year as your President - I will be concentrating on engaging the institutions to stress

why manufacturing DOES matter to everyone and why Europe needs to be an attractive part of the globe in which to invest.

Industry today is not smoke stacks and pollution and we who run companies know how substantial the investments we have made are to ensure that we continuously improve the environmental impact of our products and our production facilities. And we must never forget that our industry alone provides some 10 million direct jobs and the employees of manufacturing companies form the backbone of the European economy, including also, of the service economy.

Now a final word on this: some might wonder if my views are not tainted by the economic outlook or because our industry is not doing well. On the contrary, if for 2012 the outlook is mixed, 2011 was a good year for our industry as a whole, with an estimated rise in output of 7.8% to reach a massive output €1,666 billion. An excellent year, where our exports also grew by some 12.5% and employment by nearly 2%. So we can be and are successful as manufacturers in Europe. We are competing with our innovative products worldwide. But we also need a healthy home base close to our clients so we can develop new and innovative products near them. As the major part of our production is in the area of capital goods; this means that our clients in all other manufacturing sectors must go on investing in Europe. And it is here that

we are disappointed with the growth prospects.

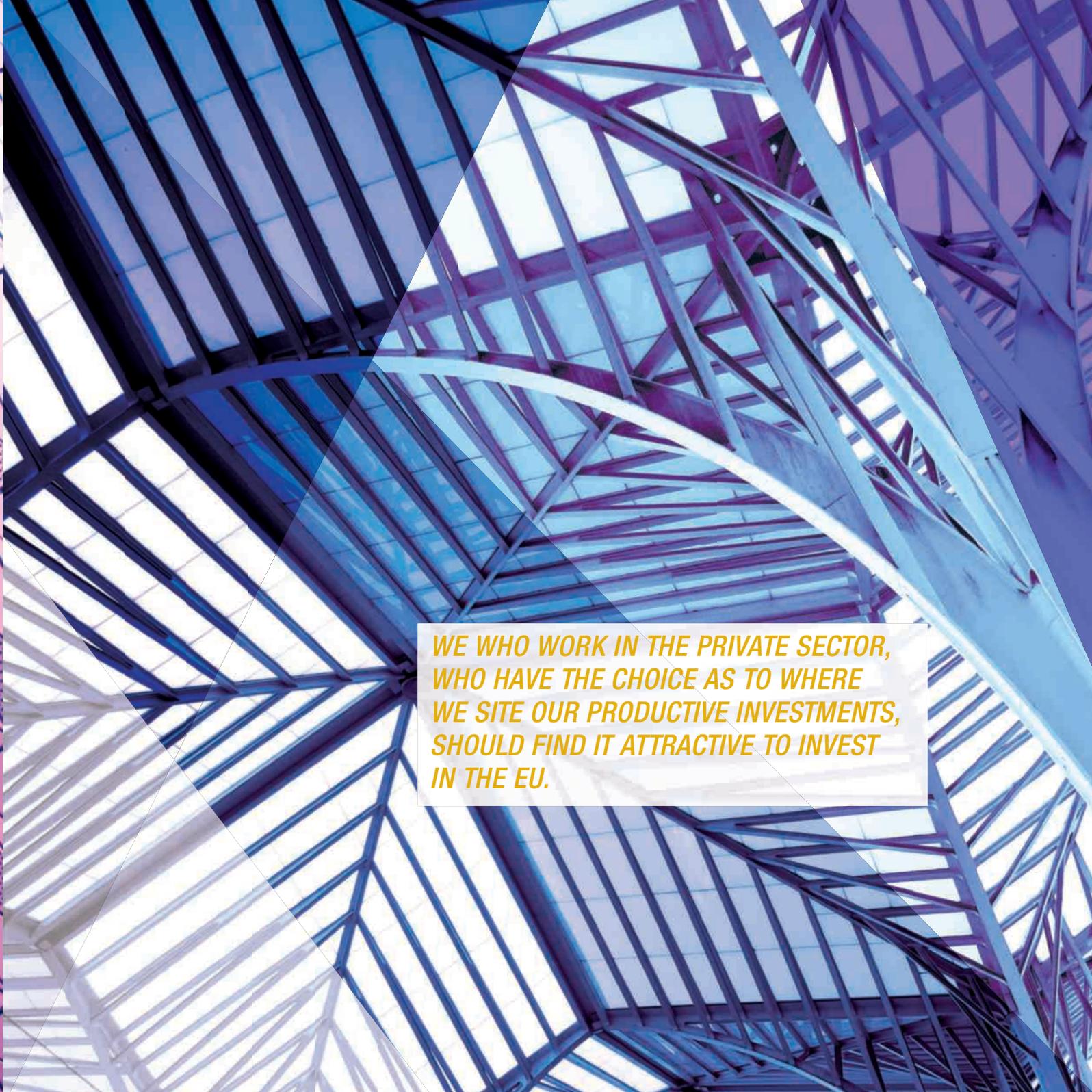
There is of course more to our activities than industrial policy and I hope that in reading this annual report, you will see how active Orgalime is for its members on an ever wider range of issues. For this I must say a big "thank you" to all our staff here in Brussels and to our members who contribute to making Orgalime what we are – the prime voice of Europe's engineering industry as a whole.

It has been a privilege to serve as your President. I wish Orgalime continued success in the coming years.



RICHARD DICK

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



*WE WHO WORK IN THE PRIVATE SECTOR,  
WHO HAVE THE CHOICE AS TO WHERE  
WE SITE OUR PRODUCTIVE INVESTMENTS,  
SHOULD FIND IT ATTRACTIVE TO INVEST  
IN THE EU.*

# DIRECTOR GENERAL'S MESSAGE

Orgalime's statutes have recently been revised to read as follows: "Orgalime is an association consisting of national associations and European sector associations in the mechanical, electrical, electronic and metalworking sectors (nongovernmental trade associations) of European countries, which are legal entities constituted in accordance with the law of their country of origin and which are regarded as representative in one or more of the fields of activity ..... of this industry".

This recent change to the statutes has allowed Orgalime, for the first time, to open up its membership base to the multitude of European Sector Associations that are active in Brussels and which are interested in both working together on common issues, but also sometimes find themselves lacking the political weight that a larger umbrella association such as ours, with strong roots both in Brussels and the capitals of Europe, can wield. Our aim is to be ever more inclusive in our work and thereby to consolidate, whenever possible on the many issues that we are following, a common message from our industry. Why? Simply to better fulfil our core mission: to be the prime voice of Europe's engineering industry on core horizontal issues, affecting a wide range of sectors in our industry.

Soon after changing our statutes Orgalime succeeded in attracting two new members from European sector associations in our industry and the number is set to grow in the coming year.

In addition, we also continue, besides our work on issues selected by our members, to service 19 European sector associations through the recently renamed Orgalime Partnership (ex-Bridgehead). This also underlines our long term commitment to actively promote, both at a horizontal level, but also by product specific area, the development of the framework conditions under which companies can flourish, grow and provide employment both today and in the long term as manufacturers in the EU, and to ensure that the trading conditions they face are fair, both here and on export markets.

## **FORTHRIGHT ENGAGEMENT**

Over the past 12 months, our President and I have found it more and more necessary to engage the institutions in an increasingly direct manner, as both officials and politicians keep on talking in abstract terms about growth, without mentioning the words industry or manufacturing. Such an approach

is, in my view completely wrong, as manufacturing and the jobs we provide should matter to everyone, and even more so today. Europe needs to be an attractive part of the globe in which to invest. And Industry is not a dirty word! We provide real jobs. It is therefore time that politicians really made efforts to make industry feel welcome, not least by expressing support for the benefits manufacturing generates through its activity in Europe!

An interesting article in the Economist (March 2012)<sup>1</sup> referred to 'small is not beautiful!' The article went on to say that "...Rather than focusing on size, policymakers should look at growth. One of the reasons why everyone loves small firms is that they create more jobs than big ones. But many small businesses stay small indefinitely...Rather than spooning out subsidies and regulatory favours to small firms, governments should concentrate on removing barriers to expansion. In parts of Europe, for example, small firms are exempted from

the most burdensome social regulations. This gives them an incentive to stay small. Far better to repeal burdensome rules for all firms...” And this is really where – on these burdensome regulations affecting our companies – that day by day the core of our work lies.

And I hope to be reinforcing our work in this area, since in January 2012, I also assumed the chairmanship of the Alliance for a Competitive European Industry (ACEI) for the next two years. The Alliance represents the interests of 11 major branch associations and BusinessEurope for their common messages, essentially in the area of industrial and energy policy and better regulation.

## ISSUES

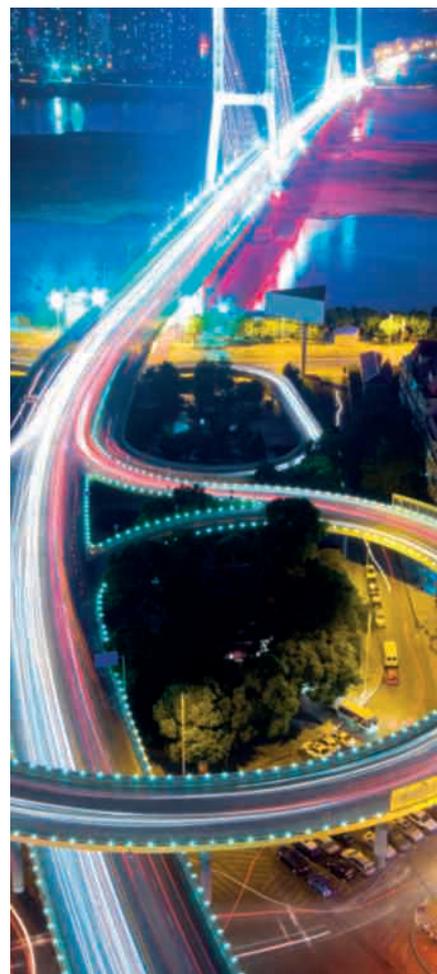
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Industrial policy remains at the forefront of Orgalime’s work at the sectoral level too: this year has been the turn of the electrical and electronics industry with our follow-up to the Electra report, ‘The Smart World’ (launched in April 2012) and of mechanical engineering where we have been working with the European Commission to complete a review of the industry which examines in some depth how the economic crisis has impacted business, how the world markets are shaping before drawing some conclusions. We will be following up on both of these over the coming year as we seek to shape the industrial policy agenda in the EU.

2011 has also been a year for working on several of the EU’s long term programmes since the European

Commission published its proposal for Horizon 2020, the new R&D framework programme that will succeed Framework Programme 7 and merge other existing initiatives into one integrated research development and innovation programme for the period from 2014 to 2020. As might be expected, Orgalime has been pushing for more focus on the two programme areas which are most relevant to the competitiveness of our industry – ‘Creating industrial leadership and competitive frameworks’ and ‘Tackling societal challenges’; it is our industry which will provide many of the solutions through the technologies, equipment and systems that our companies offer. Given our interest in these issues, Orgalime has become more involved in our industry’s research association EFFRA, where we have now taken over the management of the association. EFFRA at present pools the expertise of members to provide programming input for the allocation of some €600 million of public money for industry-relevant projects in the area of production technologies.

On the internal market policy and legislation front, this last year has been a very active one as the Commission launched its proposal to revise the legislative framework governing standardisation activities in support of regulation and the so-called “alignment package” which aims to bring 9 directives into line with the recently adopted New Legislative Framework. We have also worked on trying to ensure that legislation is better applied in the EU: it is already difficult enough



for manufacturers to apply the mass of European regulation affecting their products and processes without having to deal with non-compliant competitors on their home markets, that not only compete unfairly here but also, because of the risks which often arise from such products, inevitably tempt regulators to add yet more layers of regulation, rather than reinforcing market surveillance.

## EUROPEAN ENGINEERING SNAPSHOT

	In 2011	(In 2010)
<b>Output</b>	€1,666 billion	(€1,545 billion)
<b>Employment</b>	10.2 million	(9.7 million)
<b>Exports</b>	€519 billion	(€462 billion)
<b>Fixed Investment</b>	€52 billion	(€46.5 billion)

This is an issue on which we have been working for a number of years and which now is clearly rising on the political agenda following our request to Commission Vice President Tajani to become more active in this area for which we organised a joint workshop during the year.

Our environment team too have been busy, concluding work on the recasts of WEEE and RoHS Directives, as well as engaging the hot issue of the Energy Efficiency Directive where, I was happy to see, a number of our positions have been taken up in the Commission's proposal. We are however seeing a strong resistance by many national governments to proposals which seek to speed up the uptake of energy efficiency measures and technologies; once again it seems that governments, while they are happy to impose burdens on our manufacturers through enacting Eco design regulation, are unwilling to facilitate the introduction of the new technologies so developed by opening up markets for them in Europe... Now, in addition, in yet another change of focus, resource efficiency has emerged as a priority issue. After discussing the issue with Commissioner for the

Environment Janez Potocnik at our Presidents' Board in September, we pursued our discussions in October in the European Parliament in the European Forum for Manufacturing's roundtable on 'Resource & Energy Efficiency in Manufacturing'. The event which was co-hosted by Paul Rübige MEP and Maria Da Graça Carvalho MEP, both on the Industry, Research and Energy Committee was also attended by Karl Falkenberg, Director General DG Environment, who made a keynote speech on the Commission's in this area. A number of MEPs also made contributions on a range of subjects.

On the energy side, besides our ongoing policy work, we continue to be active in the Commission's smart grids task force, as well as on the issue of e-mobility, for which we organised an event at which Heinz Zourek, Director General of DG Enterprise and Industry, was the keynote speaker and during which we sought to highlight the central role that electrical infrastructures (integrated into the smart grid) will play to develop the market for e-mobility in the EU.

Trade issues, as usual were on our agenda, with our focus essentially being on the ongoing negotiations on different bilateral free trade agreements. This year, moreover, we also looked further afield, delving into the area of product certification in the US where our membership has for a long time been complaining about the non-competitive character of the US certification market, which is dominated by a single certifier

for a range of products made by our industry.

To conclude then, Orgalime's work is both diverse in its nature, but at the same time focused on the core issues which affect our companies. As such, we are more than ever a key player in Brussels, working closely with the European institutions and other partners to promote a future for our industries here in the EU while seeking also through our approach in the policy area to try to foster the conditions which will allow our industry to maintain its world leadership in so many areas of technology. Our aim is simple: to ensure that the voice of the EU's engineering industry, the largest manufacturing sector in Europe, is clearly heard in Brussels and the European capitals alike.



ADRIAN HARRIS



INGE DEWIT VANHAELLEN



JO DECALUWE

# BOARD AND POLICY COMMITTEES

“The past 12 months has seen, not surprisingly, Europe’s focus on re-establishing some stability in the euro area. Our industry has on the whole done well in the past year, far outperforming most other industrial sectors as our export markets grew. It is now time, however, to focus on providing the conditions for growth here in the EU.”

**Klaus MITTELBACH, Chairman of Orgalime**

## BOARD OF DIRECTORS

 MR. KLAUS MITTELBACH (ZVEI – GERMANY) – CHAIRMAN

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

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

 MR. PAUL SOETE (AGORIA – BELGIUM)

 MR. JOÃO REIS (ANEMM – PORTUGAL)

 MR. ANDREA ORLANDO (ANIMA – ITALY)

 MR. HOWARD PORTER (BEAMA – UK)

 MR. THOMAS BUSTRUP (DI – DENMARK)

 MR. ERIC JOURDE (FIEEC – FRANCE)

 MR. JANEZ RENKO (GZS MPIA – SLOVENIA)

 MRS. MARIA SANDQVIST (TEKNIKFÖRETAGEN – SWEDEN)

 MR. HANNES HESSE (VDMA – GERMANY)

## MALC



“MALC activities continued to be focused on disseminating the study on the metal articles and metalworking, monitoring the steel market, participating in conferences on subcontracting industries both at national and European level”.

**Maria SANDQVIST, Teknikföretagen, Chairman of MALC**

Most of the MALC activities related to specific directives were dealt with in the various dedicated task forces.

## CEEI

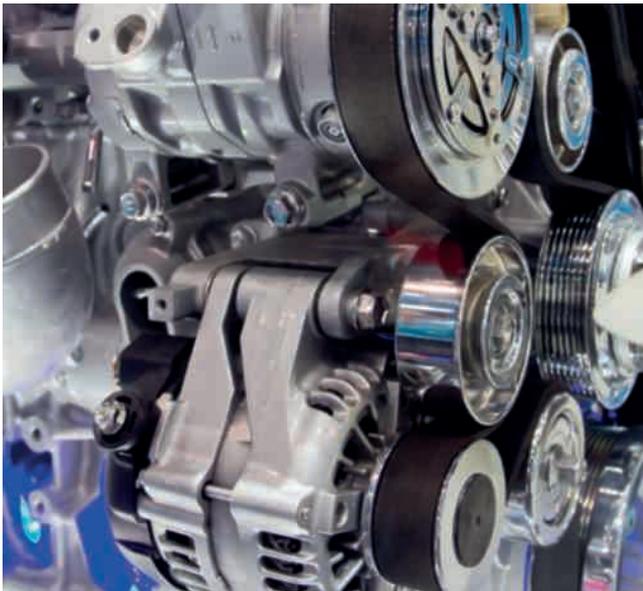


“The Electrical & Electronics industries throughout Europe can be collectively proud as the Electra ‘follow-up’ report, “The Smart World – Making Europe smarter and more competitive; Solutions proposed by Europe’s electrical engineering industries”, hits the streets in April 2012. Policymakers and industry need to continue working closely during the forthcoming years in order to ‘smarten’ Europe’s approach. It seems unrealistic to be ‘lost’ with all the ‘roadmaps’ now published”.

**Eric JOURDE, FIEEC, Chairman of CEEI**

The European electro-technical and electronics industry is a key partner to the European Union for achieving its goals because it is this industry that produces the technologies needed to make Europe ‘smarter’.

## MELC



“Orgalime are delighted that the Study on the Competitiveness of the EU Mechanical Engineering Industry which was issued in December recognises the dynamism of the industry which has maintained its share of global markets in the face of ever stronger international competition, in particular from China. Europe still leads in the area of technology and performance in mechanical engineering and we appreciate the growing and ever more practical support of the EU institutions in the area of R&D.”

**Andrea ORLANDO, ANIMA, Chairman of MELC**

The mechanical engineering industry is an enabling industry of outstanding importance for the manufacturing process and all other industry sectors in Europe. It is highly innovative and its R&D intensity is often underestimated. Furthermore, mechanical engineering industries are crucial for climate change policies.

# THE BUSINESS SITUATION IN 2011

## INTRODUCTION

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

Based on official data available up to the end of March 2012 we estimate the engineering industry's value of production in EU27 to have reached some €1,545 billion in 2010. The number employed stood at about 10.2 million people, of which some 1.2 million were in repair and installation services.

The engineering industry, which Orgalime represents as a whole at the level of the EU, counts for some 28% of the output and a third of the exports of the EU manufacturing industries. Total trade (intra + extra trade) of the Orgalime industry increased from €981 billion in 2009 to €1,150 billion in 2010.

## 2011: A GRADUAL DECELERATION THROUGHOUT THE YEAR AS A CONSEQUENCE OF EMU FINANCIAL WOES

As the industry entered 2011, it was against the background of a strong recovery during 2010 that followed the severe recession of 2009. Confidence indicators in the investment goods industry showed a high level of confidence in the EU. Order stocks were generally assessed as slightly above normal and production expanded at a double digit rate in some sub-sectors.

## UNTIL MID-2011: AS STRONG GROWTH RATES AS IN 2010

The first half year showed that the rate of expansion was particularly strong and at about the same high rate as in 2010, that is some 10.4%.

However, by mid-2011 economic turbulence started to shape economic activity: in some countries within the currency union the economy contracted, whereas in other countries the economy expanded way below potential. Therefore the level of production in the industry grew only modestly or even fell in some sectors and countries during the second half of 2011. Production in Orgalime industries decelerated to 5.3% in the second half of 2011 resulting in an overall average growth rate of 7.8% in 2011.

## DRIVEN BY EXPORTS

Growth in worldwide GDP and industrial production was relatively strong during 2011. According to the IMF, world GDP expanded by a healthy 3.8% in 2011. Whereas growth economies, such as some countries in Asia and Latin America, showed a rapid expansion of their economies, growth in the EU was relatively weak, with an estimated 1.6% increase of output. As in previous years the expansion of Orgalime industries' exports was mainly driven by sales to the growth economies in 2011.

## AN OVERVIEW OF SECTOR PERFORMANCE IN 2011

<b>ORGALIME Sectors</b>	<b>2011 Percentage change in volume of production</b>
Metal Products	+6.9
Mechanical Engineering	+11.7
Electrical/ Electronics, Instruments, ICT and installation*	+5.5
<b>Total Orgalime industries</b>	<b>+7.8</b>

Overall intra EU trade grew by a modest 5.1%, whereas extra EU exports increased by an impressive 12.5%.

## **ELECTRICAL, ELECTRONICS AND INSTRUMENT INDUSTRIES**

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The electrical, electronics, ICT and instrument industry is amongst the largest industrial sectors in Europe. The value of production in 2010 is estimated to have reached €500 billion and the sector employed an estimated 2.6 million people.

### **SITUATION IN ELECTRICAL ENGINEERING SUBSECTORS**

If this branch of the industry grew by an estimated 5.5% in 2011, there were significant variations between different subsectors.

The volume of production of electrical engineering equipment increased by 4.6% in 2011. This was a deceleration after the strong expansion of 11.4% in the year 2010. The sub sector of

motors, generators and transformers performed well, but at a considerably lower rate of expansion than in 2010. Growth rates fell in all other sub-sectors with the rate of growth turning negative in manufacturing of domestic appliances. This was a result of low consumer confidence, rising unemployment and housing expenditure at a very low level.

### **ICT ALSO SHOWED RECOVERY**

Business activity overall also decelerated in the ICT industry. But the business situation varied from one sector to the other. Production increased at a historically high rate of 20% in volume for electronic components. Production of computer hardware grew at a higher rate compared to 2010, whereas consumer electronics failed to grow and showed an unchanged production level.

Production in instrument engineering for testing and measuring, which is highly dependent on overall global

manufacturing activity increased at about the same rate as in 2010, that is by some 7.5%.

## **MECHANICAL ENGINEERING INDUSTRY**

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The European mechanical engineering industry's value of production is estimated to have reached €500 billion in 2010. Employment in the sector is estimated at 2.8 million employees.

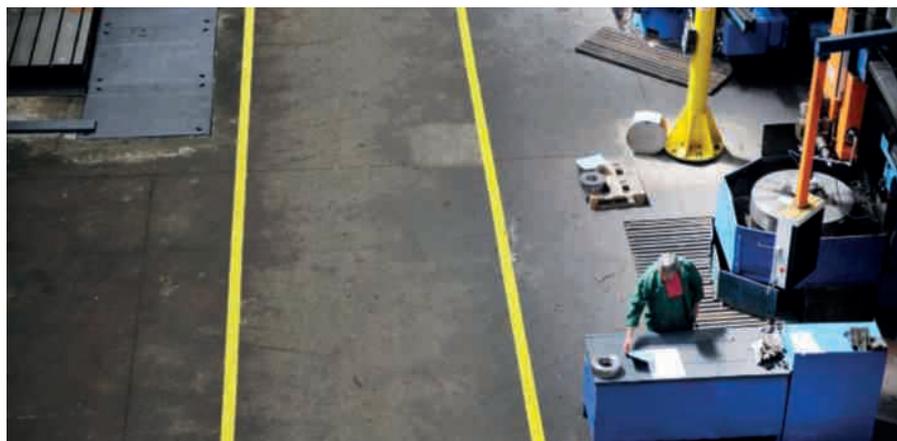
### **SECOND YEAR OF DOUBLE DIGIT GROWTH DESPITE A GRADUAL SLOWDOWN IN EU GROWTH**

The international recovery continued during 2011, with world GDP and world gross fixed investment both growing at a healthy rate. There was however a tendency for a slowdown in the second half of 2011.

Growth of fixed investment in the EU peaked already in the second quarter of 2011 and fell slightly thereafter. Due to sharp differences in demand between European countries, fixed investment in the EU grew only by a modest 3.2% in 2011.

Demand developed better on other markets, in particular emerging markets, the US and Japan, where the "technical recovery" after the natural disaster in the first half of the year created demand.

Although growth in overall fixed investment was only modest, demand for industrial machinery grew at a higher rate both in Europe and in the rest of the world. This is due to the fact that machinery and equipment industries produce, to a large extent, products for other manufacturing industries.



As a consequence, production in Europe's machinery and equipment industry grew by an impressive 11.7% in volume during 2011, a growth rate which topped the rise of 10.2% in 2010.

## **ACCELERATION IN ALL MAJOR SUB- SUBSECTORS**

All sub-sectors in mechanical engineering saw their business expand in 2011. Double digit growth rates were achieved in all major sectors apart from "other general purpose machinery". Business for machine-tools also picked up sharply, with production increasing by over 20%, which is a result of the severe slump in 2009 and the moderate pick up in 2010.

## **INDUSTRY OF FABRICATED METAL PRODUCTS**

The industry covers a wide range of final products including tools and finished metal goods (accounting for some 40% of production), castings, forgings, boilers and metal containers, as well as secondary transformation on contract basis, such as treatment and coating of metals. The value of production for the sector in the year 2010 is estimated at €420 billion. The number of employees is estimated at some 3.6 million.

The industry produces, to a large extent, inputs or products used in other sectors in engineering, such as machinery and the automotive industry. As stated above, demand from the machinery and the European automotive industries was strong in 2011. As a result, output for metal goods is estimated to have

increased by 6.9% overall during 2011 at the same rate as the year before. Heavy structural metal products grew modestly after two earlier years of contraction. The other major metal product sectors namely "forging, pressing, stamping" and "treatment & coating" grew by 14% and 7.5% respectively.

## **INVESTMENT AND EMPLOYMENT PICKED UP IN ORGALIME INDUSTRIES**

With higher utilisation of capacity, improved profits and solid growth of production, investment started to grow more substantially in 2011 compared to the modest expansion of 2.5% in volume in 2010. Overall fixed investment in the industry grew by 12% in volume in 2011.

After a decrease in 2010, notwithstanding substantial gains in productivity, employment started to grow again in 2011. It is estimated that employment increased overall by 1.8% in 2011, with variations between the different branches of the industry. . Companies in some countries started to report once again that finding sufficient skilled staff was once again proving to be a challenge.

## **THE GENERAL OUTLOOK FOR 2012**

### **A sharp deceleration of growth, but an improvement is expected in the second half of 2012**

Business activity in Orgalime's industry has gradually slowed in the last six months and the level of production has

stabilised since August 2011: indications are that this is due both to a slowdown in investment in some growth economies on which the industry depends heavily, as well as to rather limited investment by the industry's clients in Europe, both at the level of capital goods and consumer goods: it is becoming increasingly clear that the EU's "growth strategy" is not having the desired impact on industrial investment, with many companies worried that the investment climate in Europe is not supportive of industrial investment because of increasingly unstable and unpredictable framework conditions.

Based on official data and business cycle indicators for Orgalime's industry in early 2012, we expect that an improvement will take place during the second half of the year.

Short term indicators, such as the purchasing managers index or forward looking surveys such as IFO expectations and global leading indicator show a slightly stronger outcome than late last year. However, the heavily cyclical machinery industry will enter the ordinary period of slow expansion after two successful years.

Orgalime economists expect an increase in volume of production in 2012 by about 1.3%, a rate which almost achieves the long-term average growth in Orgalime industries. In order to keep up with international productivity growth, employment in the industry is forecast to remain unchanged.



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

# ISSUES

In 2011/12 Orgalime published a total of 32 position papers complemented by a large number of letters and working papers covering a broad range of topics ranging from industrial policy, to sustainable consumption & production, from resource efficiency to trade issues, from technical issues to horizontal regulatory and institutional issues. As usual, our positions were circulated to the widest audience possible including the EU institutions, national authorities (via our members' network) and European-wide media. All these can of course be retrieved from the Orgalime website at [www.orgalime.org](http://www.orgalime.org)

## INDUSTRIAL POLICY



ADRIAN HARRIS



AGNES POTOČNIK



ELEONORA PICCINNI



PIERRE LUCAS

## ELECTRICAL ENGINEERING AND ELECTRONICS: ELECTRA

In June 2008 the Electra report was launched. Its aim was to determine what conditions needed to be met to ensure that the EU's electrical engineering and electronics industry, one of Europe's leading manufacturing and export sectors, with an output in 2006 of some €320 billion and employing some 2.8 million people, should continue to grow, and at an even higher rate. Written by a team of experts from the electrical

and electronics industry, CENELEC, the European Commission and the European Metalworkers' Federation under the joint chairmanship of Mr. Günter Verheugen, Vice-President of the European Commission and Pr. Edward G. Krubasik, former President of Orgalime, the Electra report was cited in the conclusions of the Competitiveness Council of May 2009 and, at the end of October in the same year, the European Commission issued a Communication 'Electra' (COM(2009)594 final).

Now, with a follow-up Electra report 'The Smart World', launched in Hannover this year, the electrical engineering and electronics industry represented through *Electra* aims to:

- Briefly analyse the results of the first *Electra* report, looking at those areas where progress has been achieved and at those where more needs to be done.
- Outline the changes that have arisen following the 2008-2009 economic crash, as well as the impact of this

on Europe's electrical and electronics industry.

- Re-examine the challenges at societal level that Europe faces today and present proposals which are both supportive of European policies and ensure that the industry continues to grow and invest in Europe, in short making Europe smarter and more competitive.

## **MECHANICAL ENGINEERING – STUDY REPORT PUBLISHED**

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In February 2012, the final report of a study commissioned by the European Commission on the Competitiveness of the EU Mechanical Engineering Industry was published. The terms of reference called for the study to assess changes in the competitiveness of the industry over recent years following the economic crash. The study investigated the strengths and weaknesses of the industry, as well as looking at framework conditions in the EU to identify opportunities and threats, thereby tying into the Commission's industrial policy agenda outlined for the years to 2020.

Orgalime and its mechanical engineering members and European Sector Association partners worked hard to contribute to the study and to raise the profile of this successful sector of our industry. This was highlighted by European Commission Vice President Antonio Tajani, responsible for Industry and Entrepreneurship, who said: *"The strong international performance of the EU mechanical engineering industry has turned out to be an asset for the*

*EU in the era of globalisation. It is the proof that successful industrial production in Europe is possible. If innovation, productivity, export and customer orientation, creativity and entrepreneurship come together with a well-functioning internal market, industrial production has a bright future in Europe. Considering Europe's strengths, we can bring Europe back on a sustainable growth path. This is not wishful thinking, it can be done."*

Orgalime (along with the 10 European Sector Associations involved) are now working on the follow-up to the report so as to push for the implementation of the industry's recommendations. Among those already taken while the report was drafted was a workshop on market surveillance, one of the most pressing issues the engineering industry wants to act upon. Work on the follow up will therefore continue throughout 2012.

## **E-VEHICLE INFRASTRUCTURE – NOT JUST ABOUT THE VEHICLE**

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Out of the first Electra report and the Commission's follow up Communication came a focus on e-mobility. Orgalime has therefore worked on this throughout the year, issuing a position paper on the issue of "integrating e-vehicles into modern infrastructures".

This position was launched at an event hosted by Orgalime in November 2011 which was attended by some 150 participants. Orgalime's aim was to highlight to regulators that the European engineering industries represented by

Orgalime, are the only industrial sector possessing system level expertise in all parts of the system chain – from power generation and the transport and distribution of electric power, to the control and drive elements fitted to vehicles. Orgalime in its position paper stressed that the electric vehicle is part of the new world of energy and that the associated charging and support infrastructure are an integral part of this whole system. It is in this area that new developments and opportunities exist for modern European infrastructures and service markets.

A further area of focus was to highlight that if, at present, EU regulation for electrical installations in buildings have brought electric safety to a very high level, this must not be undermined by the introduction of e-vehicles. Managed charging processes (smart charging) are a must – charging an electrical vehicle is like any other electrical load on the grids, but given its impact will need to be managed, including to favour charging when "greenest" and cheapest electricity is available.

During the year, Orgalime also provided input on these issues in the CARS21 high level group set up by the Commission with the automotive sector and will therefore no doubt continue in 2012 to work on this issue as part of our overall work on energy infrastructures: indeed, Orgalime has also continued its work on smart grids where we are active in the Commission's Smart Grids Task Force, with a view to promoting the development of Europe's smart grids infrastructure.

## INTERNAL MARKET AND STANDARDISATION



PHILIPPE PORTALIER



LEONORA PICCINNI



EFTHYMIA NTIVI



DELPHINE ENGLEBERT

### STANDARDISATION PACKAGE

There has been much activity in the area of standardisation during the period of this annual report. And indeed, Orgalime has a good deal to be happy about. Lara Comi MEP produced a report on the Commission Proposal of a draft Regulation on European standardisation (01/06/2011) which was approved in March 2012 by the European Parliament's Internal Market Committee (IMCO). Overall, Orgalime welcomed the report which echoed many of the concerns expressed in the Orgalime positions published in 2011 & 2012. Essentially, the outcome of the vote was positive for Orgalime, whose efforts are now focusing on the European Council to retain these positive changes to the Commission proposal including in particular:

- The acknowledgement of standardisation as voluntary and market driven.
- The invitation to national standards organisations to encourage SME participation at national level.
- The call to member states to involve their authorities in standardisation work.
- The rejection of voting or veto rights

which were called for by some societal stakeholders.

- The introduction of an obligation for the Commission to notify European business federations and 'all relevant stakeholders' to ensure the market relevance of draft EC standardisation mandates.
- The request to member states to provide a detailed justification and evidence if they challenge an adopted harmonised standard.

The European Parliament is now in formal negotiations with the Council, which is expected to reach a political agreement by the end of May. If all the 3 institutions manage to come to an agreement before the summer break, the Regulation on European standardisation could be formally adopted by mid-July and we will therefore be following up on implementation in the coming months.

### NEW LEGISLATIVE FRAMEWORK – EUROPEAN PARLIAMENT PROGRESSES CAREFULLY WITH ALIGNMENT PACKAGE

Work is progressing on the Commission's 1400 page proposal

to align 9 directives with the New Legislative Framework. It is foreseen that the report will be discussed in July in the European Parliament and, if the package, which is designed to be a pure alignment to the New Legislative Framework, is followed, we can expect an adoption in first reading before the end of 2012 by both the Parliament and the Council. Meanwhile Orgalime technical groups and task forces scrutinised the directives of relevance to our industry and detected 2 horizontal issues, which would need further clarification:

- There are worries about the proposed formulation of the distributors' obligation of due diligence, which should refer in all the 9 Directives to the requirements applicable at the time of the first making available (= placing on the market) of their products in stock.
- Industry is also concerned by the requirement of drafting a single declaration of conformity for all legislation that applies to the very same product whilst at the same time keeping it up to date.

Therefore, Orgalime is urging the Commission for a prompt revision of the guidance document on New Approach type legislation, known as the “Blue Guide”, which could prevent divergent interpretations of the obligations of various economic operators under the 9 recast directives and others to come.

Furthermore, Orgalime proposed some changes that are specific to some of the Directives, where the alignment is going beyond the requirements suggested in the model (Decision 768/2008/EC). In some other cases, the alignment induces a change to the scope or to the conformity assessment procedures of one or the other Directives, whereas this is simply not the purpose of the alignment. Whether on European standardisation policy or on the Alignment Package, Orgalime has co-ordinated its views with BusinessEurope, Eurocommerce, and different European Sector Associations of our industry to ensure the broadest consistency of industry interests. We will continue following this closely in the coming months.

### **A SINGLE MARKET SURVEILLANCE SYSTEM FOR ALL PRODUCTS?**

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Building on the own initiative report of the European Parliament (02/2011) on market surveillance and the revision of the General Product Safety Directive (GPSD), the European Commission envisages setting up a single legislative instrument for the market surveillance of all products. The GPSD would be revised accordingly to align with the New Legislative Framework.

RAPEX and other tools for the market surveillance of consumer products would be incorporated into a separate legal text, probably an EU Regulation, which would cover all (non-food) products made available on the internal market, regardless of whether they are intended or likely to be used by consumers or not. In addition, the Commission is preparing a multi-annual plan which would co-ordinate at EU level, national market surveillance activities with the support of a market surveillance coordination body. Aligning penalties across the EU in case of non-compliance is also under discussion. If the Commission manages to draft a concrete proposal along these lines, it will come close to the joint Orgalime-ANEC request (joint position issued April 2009) for a “co-ordinated approach to market surveillance, based on available harmonised European standards (EN), for evaluating the risks to the safety of consumers and other users, to the environment or to another core community interest specified in European legislation”.

While this envisaged “Safety and market surveillance package” entails several positive aspects, it also raises some concerns. For example, the announced alignment of the GPSD provisions with the New Legislative Framework, for example on the traceability of market operators, would lead to obligations that may not be commensurate with the intended use of the product under normal conditions and the residual risk that is attached to it. Orgalime is wary about a growingly complex legislative framework, which is leading to rocketing compliance costs for lawful

manufacturers, while member states do not give any signs, especially in the context of a sluggish economic recovery, that they will step up their enforcement duties and means. Therefore Orgalime is scrutinising the European Commission plans and is calling more than ever for simplifying the legislative framework conditions, so as to simplify compliance procedures and facilitate their application, thereby reducing the absurd competitive advantage that the authorities’ inertia is de facto granting to non-compliant operators over those respecting European legislation.

Although there is no clear timeline set, Orgalime is preparing input for the impact assessment and the drafting of the Commission proposal, which is expected at the end of 2012 at the earliest.

### **MECHANICAL ENGINEERING – CONFERENCE ON MARKET SURVEILLANCE AND MACHINERY**

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In November 2011, the Enterprise and Industry Directorate General of European Commission organised a conference on ‘Market Surveillance and Machinery’ which focused on market surveillance in the machinery sector. The conference attracted over 200 participants from industry, the European Institutions, member state market surveillance and customs authorities and others.

European machinery manufacturers explained how market surveillance impacts on key aspects of their business (competitiveness, safety, innovation, employment, etc.); deficiencies and possible solutions were discussed.

Following interventions from the European Commission and European Parliament, the conference also saw the official launch of the Market Surveillance Industry's Support Platform<sup>2</sup>, a joint initiative of 7 trade associations from the machinery industry, including Orgalime. The platform will provide technical assistance for compliance assessment through a single point of access for market surveillance authorities and market operators (importers, distributors, purchasers). The launch was preceded with the signature of a manifesto<sup>3</sup> on 10 key actions for effective market surveillance. The success of the event clearly demonstrated the importance that manufacturers attach to this issue. Orgalime is now working with industry sectors and the institutions to ensure an effective follow up.

### **EUROPEAN COMMISSION PROPOSAL ON THE PRESSURE EQUIPMENT DIRECTIVE (PED) RECAST DELAYED**

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The long awaited alignment of the then 10 Directives with the New Legislative Framework arrived in November 2011 bearing a small surprise: the proposals for the alignment and recast of the Directives were only 9, as no proposal has been submitted for the Pressure Equipment Directive (97/23/EC). The European Commission indeed put forward the fact that Article 9 of the Directive had first to be aligned with the CLP (Classification, Labelling and Packaging) Regulation 1272/2008 which in turn will replace legislation on dangerous substances and mixtures. Therefore, the alignment with the New Legislative Framework could only take

place when an impact assessment will be carried out on the alignment of the PED with the CLP Regulation. Orgalime reacted to this nonalignment by writing a letter to the Commission raising its concerns on this situation. In the meantime, the Commission has appointed a consultant to carry out a study on the evaluation of PED to which Orgalime members will contribute. The focus of the study is on trying to understand the pressure equipment market in Europe and identify the main trends in the international trade, to outline the difficulties in implementing the directives, to provide recommendations to improve the effectiveness of the directive, etc. This issue will continue to be on our agenda for the coming year.

### **GAS APPLIANCES DIRECTIVE (GAD) – SLOW PROGRESS WITH THE EC PROPOSAL**

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After more than two years working in a Commission ad hoc group (in which Orgalime has a seat) on the new terms of a revision for the Gas Appliances Directive (GAD), the European Commission finally launched a public consultation on the revision at the end of 2011. Before this, Orgalime had contributed a position paper in June 2011. The main issues of the public consultation to which stakeholders could contribute focused on the following:

- Alignment of the GAD with the New Legislative Framework.
- Clarification of the current provisions of the GAD.
- Modification of the scope of the GAD and of the essential requirements.

Orgalime finalised its contribution to the on-line consultation in March 2012. In parallel, the European Commission has also appointed a consultant to carry out an impact assessment study on the revision of the directive and Orgalime is answering a questionnaire drafted by the consultant. The Commission proposal for a revision of the Gas Appliances Directive should be ready in the first quarter of 2013. Orgalime will follow the draft proposal through the different legislative phases.

### **ORGALIME ISSUE A POSITION CONCERNING THE MARINE EQUIPMENT DIRECTIVE (MED)**

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Orgalime has been active for a number of years in the follow up of the implementation of the ATEX (Explosive Atmosphere) Directive 94/9/EC and felt compelled to comment on the issue of overlap between the Marine Equipment Directive which defines the requirements for equipment to be used on board of a vessel registered within the European Community.

The constructional requirements for explosion protected equipment at sea are generally the same as onshore. This is illustrated by reference to the same or very similar standards harmonised under the ATEX Directive. Many products are used offshore and onshore, thus requiring certification under the ATEX and MED Directives, which leads to excessive complications, as it is incomprehensible and economically unviable to apply different standards for equipment with the same safety objective.

2. <http://machinery-surveillance.eu/>

3. <http://machinery-surveillance.eu/page/manifesto>



ŽELJKO PAZIN



PAULINA MARCICKIEWICZ



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### **FREE TRADE AGREEMENT – FIRST AGREEMENT IN FORCE, MANY TO FOLLOW**

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On 1 July 2011 the EU – South Korea Free Trade Agreement entered into force. The agreement was the result of 8 rounds of negotiations and aims to liberalise the trade of goods and services as well as improve investment conditions. After the first three months following its entry into force, the Commission and industry examined the first estimates and benefits brought by the Agreement. EU Trade Commissioner De Gucht presented the first results at the EU-Korea October trade committee held in Seoul. These figures showed an increase in bilateral trade and, for the first time in the last 10 years, the European Union posted a trade surplus with Korea. However, such statistics need to be further analysed before conclusions on trade within the engineering sector can be drawn.

The Commission is currently negotiating further bilateral and multilateral agreements with trading partners that

include Canada, India, Singapore, as well as Mercosur countries. Moreover, in December 2011, the EU Foreign Affairs Council authorised the opening of trade negotiations with Egypt, Jordan, Morocco and Tunisia, all of which are WTO members, and together constitute a market of more than 120 million people with a combined gross domestic product of nearly €200 billion. Following this decision, the Commission could start negotiations to establish Deep and Comprehensive Free Trade Areas (DCFTAs) that will cover all regulatory issues relevant to trade, such as investment protection and public procurement. The aim of the Commission is to offer Egypt, Jordan, Morocco and Tunisia progressive economic integration into the EU single market and to improve the conditions for market access to the EU and to the investment climate.

As Europe's leading export industry, we will be following progress on these agreements closely.

### **RECAST OF THE MODERNISED CUSTOMS CODE (MCC) TAKES INDUSTRY BY SURPRISE**

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In February 2012, somewhat to the surprise of industry experts, the Commission issued a proposal for a Regulation of the European Parliament and of the Council laying down the Union Customs Code (UCC). The aim of the proposal is to amend the Regulation (EC) 450/2008 (Modernised Customs Code (MCC)) before it becomes applicable, and to adjust some provisions of the MCC which are no longer in line with changes introduced since 2008. One of the major changes in the recast is the introduction of delegated and implementing acts, following the Lisbon Treaty. The proposal is now under scrutiny of the European Parliament and the Council, and Orgalime, which has been collecting feedback and comments from members on the 250 page long recast document, will follow progress of this proposal in the regulatory process.

## **NON-PREFERENTIAL RULES OF ORIGIN – NO REASON FOR CHANGE**

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The ongoing work on implementing provisions for the Modernised Customs Code (MCC) triggered a discussion on non-preferential rules of origin, whose legal character might be changed in the process of drafting the MCC implementing rules. The modernised code sets a 5-year time frame for application, and the implementing rules must enter into force by June 2014 at the latest.

For some time now, industry has been receiving warning signals from national delegation members of the EU Customs Committee on the so called 'list rules' that could change the existing method of determining origin and the principle of the "last substantial transformation", which would be introduced through the implementing rules. The Commission, however, has never issued any concrete Communication on the subject, and DG Taxation and Customs Union (Taxud) officials assure that no definitive decisions have been taken at this stage, given the massive opposition of stakeholders.

For European engineering, a stable environment in customs legislation and customs procedures is of the utmost importance, which is why Orgalime is closely following this issue: for years, Orgalime has been arguing that simplified customs procedures and lower costs to business would visibly benefit the industry, which we believe should be the legislator's aim.

## **MARKING OF ORIGIN ("MADE IN")**

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This issue continued to simmer during 2011 and therefore Orgalime issued a position commenting on the fact that new legislation on obligatory marking of origin ("made in") of imports would not have any positive effects on the competitiveness of the European engineering industries.

Indeed, Orgalime believes that maintaining a competitive and strong industrial base in Europe requires other essential elements, such as favourable framework conditions, open markets, a focus on innovation and the respect of IPR. Orgalime also believes that the EU has enough legislation which obliges all market operators, including importers, to respect technical, environmental, social and safety legislation. We however feel that the enforcement of this legislation and efficient market surveillance need to be further improved

Orgalime will continue to monitor this issue which now seems to be on hold due to the position of a number of member states.

## **ARGENTINA MARKET ACCESS – NEW IMPORT RESTRICTIONS**

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In January 2012, Argentina's taxation and customs authority (AFIP) issued a resolution that requires importers to submit a sworn declaration through their website prior to placing a purchasing order for all imports to Argentina. The political goal is to motivate foreign companies to manufacture their goods

in Argentina, instead of importing them. Orgalime has suggested that companies that are directly affected by the measure in question should communicate to their national ministries any difficulties they experience with import licensing, sworn declarations for import sent to the taxation and customs authorities, and import/export deals, while providing Orgalime with feedback so that we can continue to act in Brussels.

## **REVIEW OF TRADE DEFENCE INSTRUMENTS (TDI)**

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In March 2012 the European Commission published the results of an evaluation of the EU's Trade Defence Instruments (TDI). The study examined the efficiency and effectiveness of trade defence mechanisms and in its results will be used for the planned TDI reform that is to be launched by the end of 2012. The evaluation covered the description of current practice in the field of TDI, an economic analysis of the arguments for TDI and their application in the international legal and economic context. It also focused on the review of the relevant regulations in the light of administrative practice, the judgments of the Court of Justice and the recommendations of the WTO's Dispute Settlement Body, and it assessed the EU policy and practice compared to certain EU trading partners. The previous revision of anti-dumping and anti-subsidy measures took place in 1995 and the main goal of the upcoming reform is to adapt the measures to the challenges of an increasingly globalised economic environment. As a next step

following the release of the evaluation the Commission will launch a public consultation on the modernisation of the EU's TDI which Orgalime will be following.

## **DUAL USE ITEMS – UPDATED LIST**

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In 2011 the European Commission initiated a discussion regarding possible reforms to the Regulation of dual use items. The dual-use goods and technologies can be used for both

civilian and military purposes, which is the reason why their exports and transit are subject to strict control. The lists of dual-use goods and technologies are being updated regularly to limit the risk of sensitive items being used for military purposes.

In February 2012, the EU Council adopted its position on a draft Regulation updating the EU's list of dual-use goods and technologies, with the aim of aligning the lists to

international rules. More specifically, the new Regulation would aim to bring Regulation 428/2009/EC which governs export, transfers, brokering and transit of dual use items into line with latest developments of international regimes relevant to the control of exports of dual use goods and technologies.

In order for our industry to gain a better understanding of this issue, Orgalime organised a meeting and exchange of views with Commission officials.

## **LEGAL**

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### **EUROPE COMES CLOSER TO A 'UNIFIED PATENT'**

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After years of pushing by industry and little progress in the institutions, a political compromise was reached by 25 member states on the introduction of an enhanced cooperation procedure for the creation of a unitary patent title; despite the best intentions of the Polish Presidency to reach a compromise among the member states by the end of 2011, the negotiations became gridlocked since the Competitiveness Council in December 2011 did not reach a conclusion over the location of the seat of the Unified Patent Court, with London, Munich and Paris as candidate cities.

For Orgalime's constituency, this dossier remains one of the most important issues in the area of Intellectual

Property Rights (IPR). The latest proposals provide for the unitary patent to be introduced as an international agreement, implemented in every member state separately. This topic triggered a debate on the financing of the court, the composition of panels, the jurisdiction, as well as the creation of court divisions in member states. While the general feeling is that work on the dossier has accelerated, experts have urged legislators not to miss out on important provisions and consultations with stakeholders. With the Commission as well as Members of the European Parliament calling on France, Germany and UK to take responsibility and reach a compromise on the headquarters dispute, observers are worried that a compromise could even involve the central court spending different parts of the year in different countries, which would be the worst and most expensive

solution for those most interested in the unified patent system – the private stakeholders. Orgalime will continue to monitor progress on this over the next year.

### **ACTA'S DILEMMA: HOW TO PROTECT IPR WHILE SAFEGUARDING CITIZENS' RIGHTS**

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Another issue which Orgalime has been monitoring closely is the Anti-Counterfeiting Trade Agreement (ACTA). Initiated at the end of 2007 by the EU, the US, Switzerland and Japan, ACTA is an international agreement aiming to establish common principles to fight pirated copyright-protected works and, to a lesser degree, counterfeit goods. Even though the agreement has been under negotiation for the last 5 years, it has recently become the subject of lively discussion in Europe. For its supporters, ACTA strengthens



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international cooperation in the fight against counterfeiting and piracy in traditional trade and internet commerce. To its opponents, ACTA adversely affects fundamental rights such as freedom of expression and privacy, and is the result of a clear lack of transparency during the ACTA-negotiations. Legal experts comment that the agreement will not change anything to national legislation or to the acquis of the EU. As it stands today ACTA would probably most benefit the audio-visual and software industries. For manufacturing industries that produce tangible goods, an international agreement could have a positive impact if countries like China, India or Brazil were to co-sign and obligate themselves to improve IPR enforcement, though this is perhaps unlikely to happen in the foreseeable future.

At the end of February 2012, after several EU member states decided to halt their ratification process, EU Trade Commissioner De Gucht announced that the agreement would be referred to the European Court of Justice. The Court will assess whether ACTA is compatible with EU fundamental

rights, such as freedom of expression, information or data protection, and the right to property in case of intellectual property. Orgalime will continue to monitor progress on this issue over the coming months.

### **ORGALIME RAISES CONCERNS ON POTENTIAL DISTORTION IN THE US CERTIFICATION MARKET**

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In the USA, there is a legal obligation for third party product certification for many finished products ready for end use, if they are to be used in a working environment. Producers of safety components such as control devices, circuit boards, cables, electrical connectors, switching devices, etc., are subject to this certification and are suffering from the non-competitive character of the US certification market, which allows the market leader Underwriters Laboratories (UL), to exploit its position and to further reinforce it.

The specific problem lies in UL's policy generally requiring customers applying for certification of a complete product to have their components also tested

by Underwriters Laboratories (UL), or else certification by another Nationally Recognised Test Laboratories (NRTL) checked at significant cost, thus effectively limiting the freedom of component manufacturers to choose another NRTL for certification of their components. Besides Underwriters Laboratories, there are many other Nationally Recognised Test Laboratories in the USA; however, due to historical reasons Underwriters Laboratories enjoys a particularly strong positioning in the certification market of complete products and components.

Orgalime compiled a position paper based on information received by aggrieved companies and sent it to the European Commission in October 2011. The paper requested that the Commission discuss this problem with the US administration at the level of the Transatlantic Economic Council. In Orgalime's view, the situation could be improved if the American Occupational Safety and Health Administration (OSHA) would decide on an obligatory recognition of test certificates between accredited laboratories.

## **RESEARCH & DEVELOPMENT AND INNOVATION (R&D&I)**

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### **HORIZON 2020 DEBATE: THE DILEMMA OF ALLOCATING €87 BILLION**

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Following the publication of the Horizon 2020 proposal, the European Parliament is currently scrutinising

the dossier. Orgalime had already explained in its May 2011 position paper why any reform process of EU R&D&I funding should aim at high industrial relevance and strong industrial participation.

As Horizon 2020 aims to be the first one to support the whole cycle of innovation, from basic research to market uptake, it poses new and demanding questions to stakeholders and policymakers. Horizon 2020 will be organised in three different

pillars, namely ‘Societal Challenges’ (42% of total funding), ‘Pure Science’ (33% of total funding) and ‘Industrial Leadership and Competitiveness’ (24% of total funding). The Commission’s proposal was received positively by Orgalime concerning:

- The Increase of the budget for Research and Innovation by 46%, from roughly €50 to €87 billion.
- The integration of several different programmes into one single programme, making EU R&D&I funding less complex.
- The higher attention given to industrial needs by introducing a new specific pillar for ‘Industrial and Enabling Technologies’ and by allowing Public Private Partnerships to determine the topics that deserve EU funding.
- Further stimulus to innovation and commercialisation of research results.

On the negative side, most Orgalime members are disappointed by the proposed allocation of funding between the three pillars, with the “Industrial” pillar being the smallest. Also within the “Industrial” pillar there is only a limited increase in funding for industry-relevant topics. While the overall budget increase is 46%, budget lines of interest to the engineering industries, mainly NMP (NMP – nanosciences, nanotechnologies, materials and new production technologies) received a much smaller increase and in the end will represent only some 4% of the total Horizon 2020 budget. This means a relative decrease compared to the current Framework Programme, where the share of NMP is around 6%.

We will continue following work on this proposal closely in 2012 as it is discussed in both the European Parliament and Council during the year.

### **ORGALIME’S INDUSTRY LEADS IN DEVELOPING THE “PPP MODEL” WHICH WE SEE AS THE WAY FORWARD FOR “BRIDGING THE VALLEY OF DEATH”**

The Public Private Partnership (PPP) model, which was established by the European Recovery Plan in 2008, is to be further developed at EU level in the coming years. The overwhelming success of the Factories of the Future and other PPPs has been recognised by policymakers as the right implementation tool for bringing research results closer to the market and thus helping companies, notably SMEs, to bridge the so-called “Valley of Death”. PPPs represent a paradigm shift in the form of the pragmatic move to encourage interaction between companies, research organisations and public authorities for jointly developing a roadmap with research topics.

The establishment of the Factories of the Future PPP has led to re-engaging the engineering industry and notably its SMEs into European funded projects. Now, demonstration activities are playing a prominent role in the ‘Factories of the Future’ (FoF) PPP, so that industrial viability, clear economic potential and/or societal advantages of new technologies are proven. Such activities help to guarantee further application and market uptake. For the FoF PPP a dedicated not-for-profit association

– EFFRA – was created by Orgalime, a number of its members, companies and research organisations which pools the expertise of participants to provide programming input for the allocation of some €600 million of public money for industry-relevant projects in the area of production technologies.

In Horizon 2020 the FoF PPP is set to continue, hopefully with an increased budget. Moreover further PPPs will be launched, including possibly in the area of the SET-Plan (energy technologies), which could deal with issues central to our industry, such as smart cities, electricity grids, wind, photovoltaic and concentrated solar power and carbon capture and storage.



## ENVIRONMENT, ENERGY & CLIMATE CHANGE POLICY



SIGRID LINHER



ANNE-CLAIRE RASSET



ANNE-LOUISE PICARD



DEBORAH GIRASA

If the environmental agenda is shifting more and more to the “new” area of resource efficiency the review, usually followed by revision and more constraining legislation still remains central to Orgalime’s work agenda.

### **WASTE ELECTRICAL AND ELECTRONIC EQUIPMENT (WEEE) DIRECTIVE RECAST**

In January 2012, a European Parliament plenary vote brought to an end an epic 3-year parliamentary debate on what was initially designed at ‘tweaking’ the original Waste Electrical and Electronic Equipment (WEEE) Directive. In what was meant to be a minor change to improve the functioning of this Directive and offering industry more certainty has turned into a revision ‘exercise’ with areas such as the scope still as unclear as before, but maintained for 6 years.

Opposed to the recast from the outset, since companies are crying out for regulatory certainty and predictability rather than continuous regulatory change, the WEEE Recast has been at the forefront of the Orgalime agenda for

the past months. Orgalime was highly concerned about the issue of waste collection. Now it is clear member states will remain the addressee of the collection rate target, strengthened with a mandate to involve all actors in achieving the target. This will be particularly relevant for the forthcoming transposition and implementation stages if the EU wishes to realise its resource efficiency objectives. Only if all channels of WEEE are targeted, can the increased collection targets and the EU’s resource efficiency agenda be reached.

In other key areas, the opportunity to make this a more business friendly directive has been missed: harmonisation could have been better had regulators decided to introduce an electronic portal for registration, or indeed made a stronger link between producer definition and registration. On a positive note though, introducing a ‘national authorised representative’ which avoids the need of a legal seat of a company in each member state, combined with maintaining a national producer definition, evidently reduces

the administrative burden. The new provisions on treatment and the rejection of separate reuse target have also simplified matters.

As a next step, Orgalime’s attention will concentrate on the upcoming transposition process of “WEEE 2” and on underpinning the upcoming implementation work. On the basis of ongoing discussion on the implementation of the “RoHS 2” Directive, we can expect many critical discussions to ensure a proper implementation of the Directive, including possible guidelines to be issued by the European Commission. Meanwhile, Orgalime industry will update its guidance document on the WEEE Directive as soon as the directive is published in the Official Journal of the European Union.

### **RESTRICTION OF HAZARDOUS SUBSTANCES (ROHS) DIRECTIVE RECAST**

At the end of May 2011, the European Council rubber-stamped a two and half year recast procedure on the revised

RoHS Directive which entered into force on 21 July 2011. The legislation, which restricts the use of six hazardous substances in electrical and electronic equipment, such as TVs, laptops, washing machines, fridges and lighting-equipment has now been extended to progressively phase in medical devices, monitoring and control equipment and other electrical and electronic equipment including cables and spare parts into the scope.

This legislation is critical for our manufacturers as it has far reaching implications: not only do substance restrictions imply design changes with the costs that this entails, but it is also a complex task to ensure that the necessary changes happen in our global supply chains which often include many thousands of suppliers. The recast RoHS Directive also ties in with other environmental legislation applying to the same products, notably the REACH Regulation, the Eco design Directive and the WEEE Directive, rendering application unduly complex.

On the day of the entry into force of the Directive, Orgalime published its guide "A practical Guide to understanding the specific obligations of Recast RoHS Directive". The purpose of this guide is to explain the main changes and obligations arising from the recast, and to identify their consequences for Orgalime industries. This guide can be downloaded from Orgalime's website.

The impending transposition and implementation phase will also be

crucial for manufacturers. In particular, producers feel it important that:

- Member state's transpositions respect the harmonised rules set out by the Directive.
- Coherence with the REACH Regulation is ensured, especially when applying the new RoHS substance evaluation methodology before reviewing/setting new restrictions.
- Stakeholders and notably industry experts are involved in the application, including input to the new comitology process.
- Clarity on the scope is provided without delay.

In July 2011, the Commission also announced an update of its RoHS FAQ guidance document before the deadline for transposition in the member states (2 January 2013). Orgalime is therefore working on this, and more specifically on those interpretation issues not addressed in its guide of July 2011.

## ENERGY ROADMAP 2050

At the end of 2011, the European Commission adopted the Communication 'Energy Roadmap 2050'. The EU is committed to reducing greenhouse gas emissions to 80-95% below 1990 levels by 2050 in the context of necessary reductions by developed countries as a group. In the Energy Roadmap 2050 the Commission explores the challenges posed by delivering the EU's decarbonisation objective while at the same time ensuring security of energy supply and

competitiveness. As one of the priorities of the Danish Presidency, Council conclusions on the Roadmap are expected to be adopted at the Energy Council of June 2012. Orgalime is happy to see that several of its positions have been taken into account and will be providing further input into the process.

## ENERGY EFFICIENCY DIRECTIVE

For years the focus on the institutions in the area of energy efficiency has been on engineering products themselves through the Eco design Directive and its multiple implementing measures. Now the Commission has switched its attention to the uptake of the energy efficient solutions proposed by engineering companies, with the issue of the proposal for an Energy Efficiency Directive which is a first concrete follow up of the Energy Efficiency Plan 2011. In a first position issued at the end of 2011, Orgalime largely welcomed the European Commission's proposal. After much activity and heated discussions between stakeholders, February 2012 saw a key Industry Committee European Parliament vote in which Orgalime could be satisfied to see some of our core requests taken on board:

- Energy Efficiency obligation schemes.
- Harmonisation of public procurement criteria for all products, taking into account cost effectiveness based on a whole life cycle analysis.
- Accompanying measures for financial and technical facilities.
- Annual renovation rate of buildings owned by public bodies and indicative targets for the reduction of energy

consumption of existing buildings for 2020, 2030, 2040.

- Consumer information and empowering/training programme.

With work moving ahead under the Danish Presidency, which intends to reach a first reading agreement during the first half of 2012, Orgalime will continue focusing on this core area in calling for an harmonisation to the maximum extent possible current practices and efforts of the different member states, thereby at last developing concrete measures which will help to make the EU 20/20/20 agenda a reality.

## RESOURCE EFFICIENCY

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Following the issue of the European Commission's ambitious 'Roadmap to a Resource efficient Europe', Orgalime felt obliged to produce a response in the form of a position paper 'Resource efficiency: An economic necessity while remaining a societal challenge'. This Commission policy initiative has a direct impact with many of Orgalime's core policy issues, notably

the Eco design, WEEE and RoHS Directives, the REACH Regulation and the Horizon 2020 research agenda. If our industries are committed to the sustainable management of resources and of manufacturing processes while constantly improving the environmental performance of the products that are placed on the market, it is however of increasing concern that the market opportunities for these technologies will be outweighed by possible negative impacts on our industry's investments made for the implementation of the Eco design and WEEE Directives.

A project at the Commission's Joint Research Centre (JRC) rings alarm bells as it promotes what is in our view an unworkable, not to mention unnecessary, parallel methodological approach for implementing resource efficiency and waste management parameters under the Eco design Directive 2009/125/EC (see Orgalime's comments on the JRC project). Both positions have been submitted to the Commission, the European Parliament and the Danish Presidency. Late in February 2012, the European

Parliament's lead Environment Committee issued its draft report on the Commission's "Resource Efficiency Roadmap" presenting the policy priorities and envisaged measures. With full support to the Commission, this draft report calls for an extension of the Eco design Directive in terms of both, scope (to include non-energy related products) and environmental parameters to be regulated, suggesting requirements on recoverability, durability and recycled content of products. This contradicts Orgalime's position and in particular the findings of the current implementation activities on energy efficiency. Notwithstanding this rather disappointing viewpoint, the draft report also brings forward a number of positive aspects, notably, requesting a full implementation of the EU waste acquis and placing the emphasis on research, development and innovation to improve resource efficiency.

So in 2012, Orgalime will continue to promote the views of the industry on what we feel are unjustified moves to yet again revise the Eco design Directive; such a revision, if it goes ahead will just reinforce the feeling among manufacturers that they can hardly rely on regulatory stability and predictability for their operations in the EU.

## SUSTAINABLE CONSUMPTION AND PRODUCTION (SCP)

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The preparatory phase of the review process of the Sustainable Consumption and Production and Sustainable Industrial Policy (SCP/SIP) Action



Plan has started early 2012 with the launch of a stakeholder consultation on 'Delivering more Sustainable Consumption and Production'. To implement the EU's resource efficiency and sustainable development agenda, the consultation called for stakeholders' views on the possible introduction of measures contributing to improve the environmental performance of products and increase the demand for more sustainable goods and production technologies, on SCP/SIP, through for example, green public procurement, or the introduction of environmental footprint of products and organisations.

Orgalime contributed to the consultation through a position rather than by answering the consultation document which we felt was somewhat biased in the way the questions were posed. In this paper we focused more particularly on the environmental footprint, which we felt might well weaken the successful energy label and stressed our support for the Eco design Directive, which addresses all environmental aspects related to Energy related Products.

Orgalime also proposed a number of alternatives to those cited in the consultation, placing much more of a focus on the proper implementation of already existing legislation rather than on preparing the way for yet more layers of legislation.

## **ECO DESIGN DIRECTIVE**

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The Eco design Directive which addresses all environmental aspects

of Energy related Products (ErP) throughout their whole life cycle, from cradle to grave, which we support is well into the implementation phase, this is the holistic approach to eco design for which we have long been clamouring.

Orgalime is following the implementation of the Eco design Directive and participates, as an observer, to the Eco Design Consultation Forum and Eco Design Working Group, which meets regularly to discuss possible as well as general implementation issues. While eco design and labelling requirements have been adopted for twelve products of our industries, some 25 additional measures are under way, for example, for vacuum cleaners, computers, transformers, fans and professional refrigeration equipment.

On the basis of a study on the next working plan, the Commission proposes to study 9 further product groups in the period 2012-2014 under the Directive. This comes in addition to accomplishing the work on the already targeted 37 product groups, out of which some 25 measures still need to be finalised. For the same period, 4 voluntary agreements are to be recognised and 11 adopted implementing measures are already due for revision! Orgalime re-iterates that we should "...first finalise implementation on existing lots, then strengthen enforcement and finally consider launching new lots"

As with so many other directives, implementation seems to have barely

had the chance to take effect before a review is due. The Eco design Directive is no exception: the preparatory work on the review of the framework directive itself is coming to an end as the contracted consultant CSES released its draft final report including recommendations for a possible amendment of the Directive. Orgalime raised its concerns on a series of CSES draft final study recommendations, including:

- Proposals to further extend the scope of the Directive beyond energy related products.
- Create national registers for producers as a claimed means to strengthen enforcement.
- Change the preparatory process of implementing measures through involvement of a new executive agency or the JRC.

Currently the European Commission is reviewing the final CSES report and now must decide whether or not to propose an amendment to the current framework Directive. Considering that an extension of the scope of the Directive beyond Energy related Products is premature, the opposition to such an extension will remain high on Orgalime's list of priorities. We believe it is essential to avoid undermining the considerable efforts and investment made by our industries to improve the environmental performance of their products by continuously modifying the regulatory framework and shifting the goal posts. This can only jeopardise the ongoing implementation process.

## CHEMICALS POLICY (REACH)

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Now well into the implementation phase, Orgalime has been heavily involved in this process, as the designated representative of complex article manufacturers which includes the engineering, automotive, aerospace industries as well as the retail sector, attending meetings of the CARACAL (Competent Authorities for REACH and CLP) as well as the Director's Contact Group and monitoring ECHA's guidance review. Orgalime particularly followed the review of ECHA's 'Guidance on requirements for substances in articles V2 (April 2011). However, the debate now continues with 6 dissenting member states (Austria, Belgium, Denmark, France, Germany and Sweden), notwithstanding the legal opinion of the Commission, stubbornly reiterating their concerns with respect to the 0.1% threshold that triggers communication and notification requirements.

In September 2011, Orgalime took the opportunity of re-iterating the concerns of Downstream Users in the implementation of the REACH Regulation as well as the expectations of suppliers and especially, the chemicals manufacturers, to an audience of more than 300 participants at a workshop organised by the European Commission.

Orgalime is also involved in the 2012 review process, which aims at evaluating the impact of the REACH Regulation. Orgalime contributed to some of the thematic studies, such as the one assessing the impact of REACH on the

competitiveness and innovativeness of EU industry. It is somewhat premature to come to a conclusive assessment of the effectiveness and efficiency of the different REACH procedures, as well as the overall impact on the industry at this point. We strongly oppose re-opening the REACH Regulation that would jeopardise the efforts and investment made by the industry to apply what is no doubt one of the most complex pieces of legislation affecting engineering companies.

However, Orgalime urged the Commission to carefully monitor any unexpected impact that has already been perceived, such as undesired limitations of the substance portfolios available for Downstream Users to innovate or legislative overlaps. To ensure that REACH will achieve its overall objectives, Orgalime advocates:

- The effective application of REACH as the EU wide framework for chemicals management, including in the area of nanomaterials where the European Commission has managed to clarify the definition of a nanomaterial.
- The harmonised implementation of REACH requirements in all EU member states.
- The strengthening of both upstream and downstream information flows to achieve an effective, fluent and timely flow of information throughout the entire supply chain.

Orgalime, will of course, continue carefully screening the application of REACH and the review process throughout 2012.

## INDUSTRIAL EMISSIONS DIRECTIVE (IED)

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In September 2011, following on from implementation under the former 'IPPC Directive', Orgalime participated in the first stakeholders' consultation forum under the new Industrial Emissions Directive (IED). As a member of the forum, Orgalime has provided its opinion on the Commission's guidance document for the future drawing up of Best Available Technique (BAT) reference documents (BREFs) which has then been adopted through the comitology procedure (implementing acts) as well as BAT conclusions for glass and BAT conclusions for iron and steel, the first two revised reference documents under the IED.

The Commission reiterated its wish to continue with the exercise to derive BAT conclusions on the basis of existing BREFs. Indeed, shifting from the IPPC framework to the IED requires substantial changes and, for that purpose, the Commission has envisaged in its work programme to review a large number of BREFs, as well as to launch the drawing up of new ones.

Accordingly, the expertise of the Seville Technical Working Group will remain essential to identify and ensure fair and appropriate development of BAT reference documents. Orgalime will therefore continue to maintaining an operational network and coordination with and between Seville experts nominated by and representing the engineering industry.



*ROADMAP TO A RESOURCE  
EFFICIENT EUROPE:  
KEEP A STABLE ECO DESIGN  
FRAMEWORK*

# COMMUNICATIONS

It's all about the story! And we in the engineering industry have a story to tell...



MARK REDGROVE



MAGDALENA WAWRZONKOWSKA

Arguably *the* key role for corporate communicators is organisational engagement – helping audiences to find their place on the organisation's stage. Story-telling can help with this task.

Since the kaleidoscope has been given a good shake and as the media landscape has adapted to its new surroundings, we find all the pieces still in flux. Orgalime has tried to apply 'new rules' for the benefit of our audience and in doing so, giving meaning to why we do what we do.

A Brussels based writer recently published an article<sup>4</sup> from which I take an extract – for it explains our business

of communications quite nicely "...In his book *King Arthur's Round Table: How Collaborative Conversations Create Smart Organisations*, David Perkins argues that all organisations are really only about conversations and that, notwithstanding the particular line of business we are in, effective leadership is always about helping people to have better, smarter conversations. And if you talk about conversations in one breath, you surely have to mention stories in the next. After all, stories are the 'stuff' of most conversations and are unique in their ability to bring meaning, pattern and order to the otherwise disconnected fragments of our lives. Not convinced? Well just try and think of any recent,

meaningful conversation, in which you did not tell a story to illustrate your point, contribute an idea, raise an issue or make a connection with somebody".

Michael Margolis explains in *Believe Me: Why Your Vision, Brand, and Leadership Need A Bigger Story*, for those of us who communicate on behalf of our companies or organisations, it is high time we faced up to the fact that "*people don't really buy your product, solution, or idea, they buy the stories that are attached to it.*"

The way the story is told still depends though, on who your audience is. Tailoring is still required and is necessary for not only the type of

audience, but also the channel the story will be told on. Communications is the art of telling stories about an organisation and helping people to find their place in that story, stories should be coherent at every stage, stories should relate to the audience and communicators have to be playful – by avoiding predictability, stories take on a life of their own, evolving over time.

Whilst the story of European engineering hasn't gone viral – yet, the

statistics again support the concept of giving people the information they want, in the right format, at the right time and on the channel they prefer. Orgalime specialises in what we do and we have a loyal band of followers – now, we should aspire to pushing the boundaries further, through our storytelling, and convince our readers that industry has dispelled the rumours of being 'bad' and that without a strong European engineering and manufacturing base, Europe's

backbone and Europe's recovery are seriously weakened. This is our challenge, first with our direct audience – the politicians and officials in Brussels and throughout Europe, but also in the longer term to the wider public since our industry is attractive, does provide a job and a future to its employees – and needs the skills of these employees to flourish in Europe.



# PUBLICATIONS

In 2011-2012, Orgalime maintained the tradition of producing relevant legal publications for the industries it represents by updating and revising previously released works and adding new language versions.

## **UPDATE OF MODEL CONTRACTS – DISTRIBUTORS ABROAD AND AGENTS ABROAD MODEL CONTRACTS – MAY AND JUNE 2011**

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Following new rules in EU competition law issued in 2010 by the European Commission, Orgalime updated 2 very popular Orgalime model contracts, the “*Exclusive Agreement with Distributors Abroad*” and the “*Exclusive Agreement with Agents Abroad*” in May and June 2011 respectively.

Model Forms are a type of publication that consistently remain high in demand as they provide help when drawing up contracts that cannot be standardised to the same extent as General Conditions.

## **MODEL FOR A CODE OF CONDUCT FOR ASSOCIATIONS**

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The Code of Conduct, a model Orgalime originally produced in 2010, has now been translated into German and Spanish. This publication has the double purpose to serve as Orgalime’s Code of Conduct that binds all members and other participants working on an Orgalime platform and to be made available to National Associations/European Sector Associations within the engineering industries that so far haven’t developed their own code of conduct. The standardised text provides clear rules for the activities of associations and offers guidance to limit the risk of receiving fines from competition authorities.

## **RELEASE OF ORGALIME S 2012 GENERAL CONDITIONS**

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In March 2012, Orgalime released the S 2012 General Conditions, “*General conditions for the supply of mechanical, electrical and electronic products*”; a revision of the S 2000 General Conditions, August 2000, that has proven to be Orgalime’s best-selling publication. Well over 1 million hard copies of the S 2000 general conditions have been sold since their publication and they are the biggest pull to our licensing website, where we provide a licence for the use of our conditions in electronic format.

Orgalime General Conditions are standard contracts prepared by Orgalime’s Legal Affairs working group, which includes legal experts from Orgalime’s member associations. The aim of these publications is to provide simple and balanced General Conditions of contract for use between businesses. There are, to date, 9 sets of Orgalime General Conditions.



To keep up with the increasing popularity and acceptance of our General Conditions by companies throughout Europe, and in order to assist companies from our industries willing to expand their horizons, Orgalime has broadened the scope of available versions of its new S 2012 publication to include Danish, Slovak, Czech, Japanese, Turkish and Arabic language versions. The previously other available versions (German, French, Spanish, Italian, Portuguese, Dutch, Swedish, Hungarian, Polish, Russian and Chinese (Mandarin)) have all been updated as well.

### **CONTINUED SUCCESS OF ORGALIME'S LICENSING WEBSITE**

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Orgalime's licensing website continues to prove an increasingly popular tool for companies wishing to use our standardised General Conditions in an electronic format. Over the last ten years, over 2300 companies have registered on the website, with 638 companies located worldwide purchasing a licence. The interest companies have shown in this service has more than doubled in the last 4 years, proving the high esteem and reputation publications issued by Orgalime are held in by the industries we represent.

### **IN 2012**

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Throughout 2012, Orgalime will continue revising other of its legal publications, such as the S 2000 Guide (revised to offer guidance for the use of the S 2012 conditions), the SW 01 and SE 01 General Conditions.



*THE ORGALIME PARTNERSHIP HAS  
ACHIEVED MANY VALUE ADDED ACTIONS  
AND STRATEGIES DURING THE PAST  
12 MONTHS*

# ORGALIME PARTNERSHIP

Why the Orgalime Partnership? Very simply because it makes sense for Orgalime to put at the service of our wider industry network, the experience and the contacts that we have gained in over 50 years of working in Brussels. It is now some 15 years since Orgalime's members, at that time national associations only, representing the interests of the largest industrial sector in Europe, launched this partnership with different European Sector Associations.

And this network as well as our frequent collaboration on common issues has grown steadily and surely, and, with it, the influence of our industry where it counts – here in Brussels – where policy and regulation affecting our companies are born.

Previously known under the brand 'Bridgehead', it was renamed in early 2012 to underline the value Orgalime put in the associations it services. The Orgalime Partnership is the department of Orgalime that services individual associations in promoting their positions, advocacy and management activities. It offers a wide range of services to associations active in the electrical, mechanical and metal articles industries, designed with a long-term cooperation in mind.

With a mix of excellence and deeply rooted networking in Brussels with outstanding knowledge of the engineering industries, there is a constant cross pollination between Orgalime issue managers dealing with horizontal issues and Orgalime Partnership

experts. The Orgalime Partnership has developed different types of services with its partners:

- Targeted bulletin.
- Active monitoring service.
- Advocacy, communication & public relations.
- Institutional contact services.
- Association management services.
- Project services.
- Business intelligence services.

The Orgalime Partnership has achieved many value added actions and strategies during the past 12 months: a non-exhaustive list is given hereafter. The activities range from increasing the political footprint, to implementation, communication and management of the associations.

## POLITICAL ACHIEVEMENTS

The Orgalime Partnership supports its customers by being part of the discussions to promote political positions at the right place at the right time. Orgalime Partnership experts attend many stakeholder meetings across the

regulatory spectrum and support their partners by developing political positions for them, for example for:

- Materials handling issues in the Commission's guidelines on the Machinery Directive.
- Proposals for amendments and voting recommendations on metering & billing provisions in the draft Energy Efficiency Directive.
- The work that led to the decision of the European Commission on the qualification of brush-cutter attachments as interchangeable equipment.

The Orgalime Partnership also uses its expertise in voluntary initiatives to the benefit of its customers. For example, we coordinated a European 'water label' for taps and showerheads and most recently co-funded an industry platform on market surveillance for the machinery sector.

The Orgalime Partnership currently provides services for the following committees/associations:

## AREA – AIR CONDITIONING AND REFRIGERATION CONTRACTORS

ESMIG – SMART METERING

CECAPI – LOW VOLTAGE EQUIPMENT

ESTAL – SURFACE TREATMENT ON ALUMINIUM

CEIR – VALVES

EUMABOIS – WOOD WORKING MACHINERY

CEO – HAND TOOLS AND ANCHOR FIXINGS

EURALARM – FIRE & SECURITY SYSTEMS

EGCS – CONSTRUCTIONAL STEELWORK

EUROPERF – PERFORATORS

EFCEM – CATERING EQUIPMENT

EUROPUMP – PUMPS

EFSAC – SAFETY & SECURITY EQUIPMENT

FEM – MATERIAL HANDLING & STORAGE

EGMF – GARDEN EQUIPMENT

PNEUROP – COMPRESSORS

EIFI – FASTENERS

## T&D EUROPE – ELECTRICITY TRANSMISSION AND DISTRIBUTION

EPTA – POWER TOOLS

### VISIBILITY ACHIEVEMENTS

In terms of visibility, the Orgalime Partnership has been actively organising tailored events that increased the footprint of its clients:

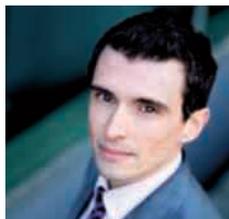
- EGMF – conference and training on how to deal with unfair competition created by non-compliant products
- ESMIG – recognised as an official partner of the European Commission Sustainable Energy Europe Campaign through its project ‘ESMIG Guidelines for Smart Metering’
- ESMIG – European Parliament working breakfast
- ESMIG – Presence at Metering, Billing/CRM Europe 2011 the major trade show of the industry
- EUROPUMP – A promotional conference for the European Commission, national ministries and universities on eco-design
- EUROPUMP – kick off meeting for 4 lots of the Eco design Directive
- FEM – Market surveillance conference attended by over 200 delegates
- FEM – Communication campaign on market surveillance & machinery in the Brussels print media
- New website + Google analytics for EUROPUMP and CEIR
- Blog for EUROPUMP
- Page creation and input to Wikipedia, Facebook, Twitter and LinkedIn



GUY VAN DOORSLAER



PIERRE LUCAS



OLIVIER JANIN



STÉPHANIE UNY



ROZENN MARÉCHAL



NICOLLE RAVEN



ZOI MYLONA



JÉRALDINE RABY



JANET ALMOND

# MEMBERS

34 MEMBER ASSOCIATIONS – 32 COUNTRIES

130,000 companies – €1,666 billion of annual output – 10.2 million people employed

## AUSTRIA

FEEI



FMMI



## BELGIUM

AGORIA



EGMF



EUROPUMP



## BULGARIA

BASSEL



## CROATIA

HUP



## DENMARK

DI



## FINLAND

THE FEDERATION OF FINNISH TECHNOLOGY INDUSTRIES

The Federation of Finnish Technology Industries

## FRANCE

FIEEC



FIM



## GERMANY

VDMA



WSM



ZVEI



## GREAT BRITAIN

BEAMA



EAMA



GAMBICA



## IRELAND

IEEF



## ITALY

ANIE



ANIMA



## LATVIA

MASOC



## LITHUANIA

LINPRA



## LUXEMBOURG

ILTM



## THE NETHERLANDS

FME-CWM



## NORWAY

METAALUNIE



## NORWAY

NORSK INDUSTRI



## POLAND

PIGE



## PORTUGAL

AIMMAP



ANEMM



## SLOVENIA

GZS-MPIA



## SPAIN

CONFEMETAL



SERCOBE



## SWEDEN

TEKNIKFÖRETAGEN



## SWITZERLAND

SWISSMEM





## THE EUROPEAN ENGINEERING INDUSTRIES ASSOCIATION

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