



ORGALIME

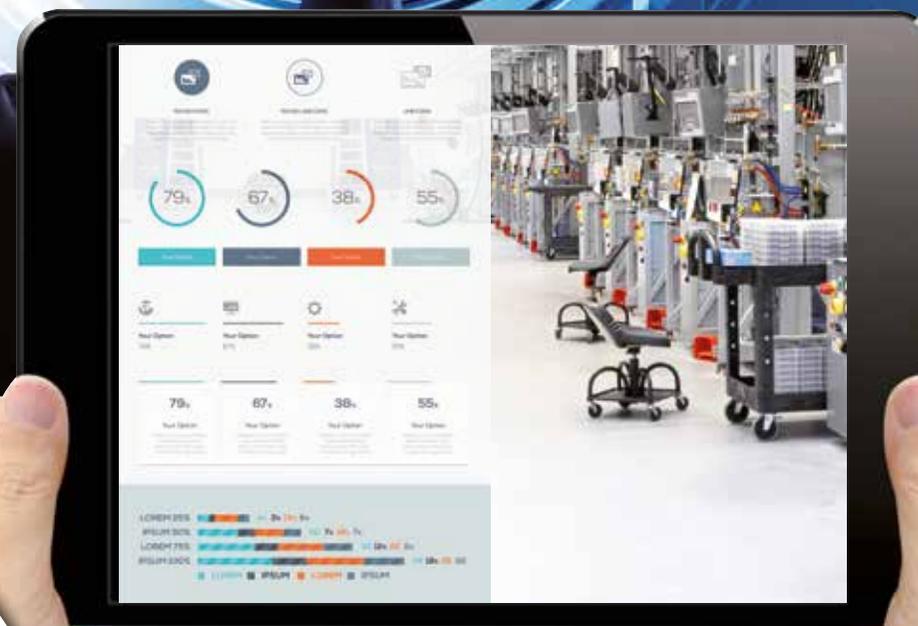
ANNUAL REPORT 2014-2015

## TECHNOLOGY FOR THE WORLD: MANUFACTURED IN EUROPE

MECHANICAL

METALWORKING

ELECTRICAL & ELECTRONICS



SEARCH

NING .....



ORGALIME

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Editeur responsable:  
Adrian Harris, Director General



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## President's Message

Sandro Bonomi

**This is now the third year that I am Orgalime's President and, after a fairly quiet 2014, due to the European elections and the changeover of European Parliament and Commission, things are beginning to become more active in Brussels.**

Last year, I felt that, on the economic side, the outlook was not as bright as we might have hoped for. At the policy level, nevertheless, the outlook was better: manufacturing and the employment that our companies provide was at long last back on the political agenda in Brussels and in many countries.

Now, when I see the latest figures for our industry in Europe, things are beginning to look up a little, though we are trailing far behind other countries: based on the data available, we estimate that the engineering industry's total turnover in the EU reached some €1825 billion in 2014 and employment remained stable at just over 10.3 million people. This means our industry achieved a modest growth of 1.7%, which is better, but still well under our historic average annual growth level of over 3%.

My aim this last year has been simple: to ensure that in the transition from one Commission and Parliament to the next, the focus on generating jobs and growth, which we believe can only come from renewed manufacturing investment, is not forgotten. We are not yesterday's flavour.

On the contrary, from our perspective the outlook should be brighter than in the recent past: Europe's engineering industry is a technology champion. We are seeing a rapid evolution through the integration of Information and Communications Technology (ICT) into manufacturing processes, products, value chains and service offerings. This evolution, commonly known as 'Industrie 4.0' or 'Smart industry', is leading to better, greener and more customised products and, just as important, to productivity gains. We know that this is happening not only in our own industry but throughout the

economy, with innovation enabled by the technologies, equipment, systems and services provided by our companies. We see that technology, much more than regulation, now offers both a perspective for a modern energy and resource efficient economy and for the economic rebound of Europe. This is not a surprise: Europe has always, since the first industrial revolution, emerged from difficult economic circumstances through radical technological change and this is happening again.

What Orgalime has in mind and must do is to communicate to regulators through what we are living today. Therefore at the outset of the present European Commission and Parliament, we published our vision paper 'Technology for the World: Manufactured in Europe' which sets out in concise terms where our industry is moving at the level of technology and what our companies need at the policy level to translate this evolution into an industrial renaissance here in Europe.

Over the last months, I have therefore focused on communicating our vision to policymakers directly. First to the European Parliament where we organised an event to explain where technology was moving in our industry and what we expected from MEPs. I have been doing the same with the European Commission and the Presidency of the Council. Frankly, following substantial feedback, I have to say that I really feel that we are being heard and understood.

In parallel right at the outset of the new Commission, we in Orgalime have commented on the policy priorities of the new Juncker Commission: first on President Juncker's investment package, since we believe that it is essential Europe should adopt the right type of investment plan; and then on what we see are 3 of the European Commission's core policy areas: the Internal Market for Products and Services, the Digital Single Market and the Energy Union. These policies, for us, are all about developing the single European – the internal – market.



# 10 MILLION +

**PEOPLE WORKING  
DIRECTLY FOR OUR  
INDUSTRY IN EUROPE**



# 20 MILLION

**PEOPLE WORKING  
INDIRECTLY**

They will provide the benefits we can expect if they are properly shaped and coordinated to effectively work together towards the stated core Commission goal of jobs and growth. This time it is essential that the Commission should not miss the goal.

Why is the internal market so important? Simply because this is what has underpinned the development of Europe's manufacturing and related services economy for decades. The benefits did not stop at the borders of Europe: because the internal market helped us to achieve real economies of scale, our industries' exports also increased as companies became more competitive. Our exports to third countries increased significantly and this helped our industry to obtain a leadership position on world markets in many areas of technology.

However, in recent decades, notwithstanding the continuous growth in demand for engineering products as the world's population grows, investors have too often preferred to invest elsewhere: while many economies have been successful in attracting manufacturing investment, Europe is not. As providers of capital goods to all sectors of the economy, this has been only too clear to us.

Yet, we in Orgalime believe in the future for our industry in Europe. Because of this, we believe we need more, not less Europe. But we need the right type of Europe. In the last few years, we have seen a worrying tendency of regulators to forget the benefits that the EU brought to its citizens and economy as a whole through the internal market. Much of recent policy and legislation has introduced measures which in the name of subsidiarity, left significant leeway to member states to add on another layer of regulation over European legislation. As a result, the cost and thereby complexity of doing business here has risen steeply, Europe has become progressively less attractive to citizens and investors alike.

## PRESIDENT'S MESSAGE

It is high time for this to change: it is not acceptable that where building a consensus in the EU is difficult, the hard decisions are left aside by the Commission. The Commission needs to show leadership in championing Europe. It must once again focus on creating a strong Europe where common rules, which are respected by all member states, facilitate the integration of the continent and provide measurable benefits to all, citizens and companies alike.

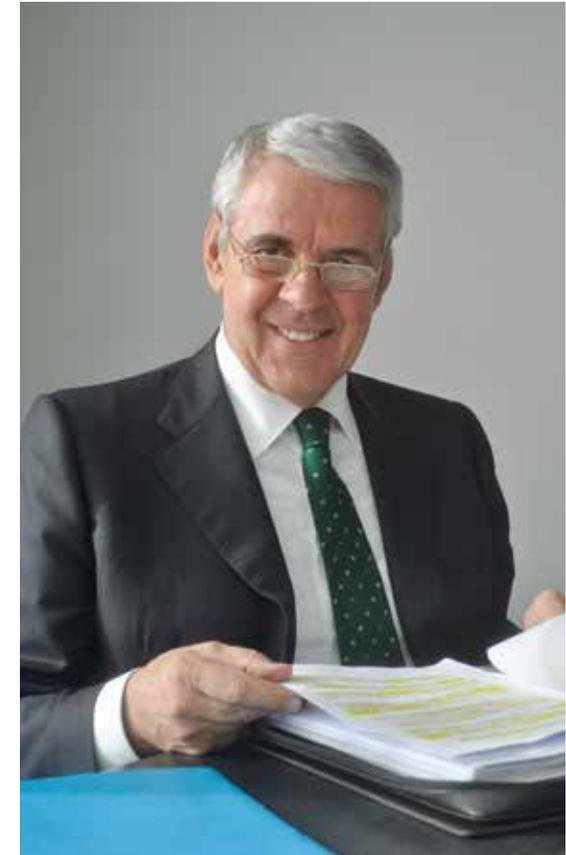
Let us hope that the new European Commission which has said it will focus on the major issues will understand, that reviving and deepening the internal market is the core area which will pay dividends for all. We hope too that the Commission will do so in a way which facilitates innovation and encourages a really active partnership between manufacturing industry and regulators. The industrial renaissance of Europe and an exciting future for our citizens – in particular our young citizens – will, I am convinced, depend on this.

A final word, if I have focused at the outset of this new European Commission and European Parliament on our core political issue, there is much more to Orgalime's activities. I hope that in reading this annual report, you will notice how active Orgalime is for its members on an ever wider range of issues. For this I must say thank you to all our staff, to our members and our partners who make Orgalime what we are – the prime voice of Europe's engineering industry, the largest manufacturing sector in Europe.

“

*We in Orgalime believe in the future for our industry in Europe. We believe we need more, not less Europe. But we need the right type of Europe.*

*Shausami*



# Director General's Message

## Adrian Harris

### A really new European Commission?

One could say that we have had to 'refocus'. The structure of the new European Commission took some by surprise, but let's be frank, it had to be different from the recent Commissions with a view to snapping out of the Brussels 'regulate as usual' mode! We now have a much more political Commission which includes former Prime Ministers or Deputy Prime Ministers, former Members of the European Parliament, besides several returning Commissioners. The new College has 7 Vice-Presidents each leading a so-called project team. As Commission President Juncker announced they will be "*steering and coordinating the work of a number of Commissioners in compositions that may change according to need and as new projects develop over time*". These project teams will be there to coordinate the implementation of the 10 key points of the Juncker Commission's programme. For our industry, the most relevant are the 'Growth, Investment and Competitiveness', 'Digital Single Market' or 'Energy Union'. There is therefore clearly an attempt to move towards joined up policymaking, breaking down the 'silos' between Directorate Generals. This is something for which we have been clamouring for many years.

What is also new is that Mr. Juncker has his right-hand-man in the form of a 'First Vice-President' (Frans Timmermans). He is dedicated to the Better Regulation agenda. As stated in the Commission's press release "*the aim is also to ensure that every Commission proposal is truly required and that those aims cannot best be achieved by member states*". It is

perhaps worthwhile remembering that the Dutch government had issued a policy document in June 2013 - 'Testing European legislation for subsidiarity and proportionality' where they had recommended what should be dealt with at EU level and what should remain at national level. Moreover the Commission will now have a unit in the secretariat general - the Regulatory Scrutiny Board with its own permanent staff which will call on a number of external experts to scrutinise possible legislation. With the European Parliament having also set up such a unit looking after impact assessments, all that is left is for the Council to go the same way.

But equally important will be to ensure that the problems which arose from poorly thought out policies and regulations in past years are not just moved out from Brussels to the capitals. We need more of a Europe which is supportive of manufacturing needs rather than a resurgence of national rules which will just end up destroying one of the major successes of Europe, our internal market. So if joined up policymaking and 'inter-ministerial' coordination are now shaping up in Brussels, this must also happen in the member states and in the different Council formations.

### How is the European Parliament shaping up?

Orgalime have been very proactive both during the build up to the 2014 elections and also once the European Parliament was formed. Our digital campaign 'Manufacturing: the beating heart of Europe' was (and still is) designed to get Members of the European Parliament (MEPs) (and other



Adrian Harris



Inge Dewit Vanhaelen



*We have been saying for some time now that it is investment in Europe – and in particular industrial investment – that will reverse the trend of manufacturing drifting to other parts of the globe where there are less barriers for investors.*

institutions) interested in our industry and help them to 'fall back in love with manufacturing'. This, in conjunction with our vision paper 'Technology for the World: Manufactured in Europe', spelt out where we believed we had got it wrong in the past and what actions needed to be taken in the future. We have positively engaged MEPs that are sitting in the primary committees of importance to Orgalime and are engaging with them at events in collaboration with the European Forum for Manufacturing where MEPs and companies exchange views and information on different policy and regulatory issues.

There are many new relationships to be built within the Parliament – over half the elected MEPs are sitting for the first time! Our work therefore in this respect is never complete. The diversity of the MEPs engaged has changed though – our job is to inform and educate about the importance of industry in the European project. Whether they be traditional centre right, social democrats or liberal, each one will surely have a manufacturing interest within their constituency. After all, manufacturing provides over 35 million jobs. Everywhere. In every country, region, city, town and village!

#### And what of Mr. Juncker's investment package?

It is early days – time will only tell. The creation of a new European Fund for Strategic Investments (EFSI), guaranteed with public money, aims to mobilise at least €315 billion of additional investment over the next 3 years (2015 - 2017). This is something that Orgalime welcomed. We have been saying for some time now that it is investment in Europe – and in particular industrial investment – that will reverse the trend of manufacturing drifting to other parts of the globe where there are less barriers for investors. As we wrote to



*Is the Industrial Renaissance policy still alive? Very much so...*

Commission President Juncker, what we are looking for is investment in the supporting infrastructures which will facilitate industrial investment. In our view, then, there are several 'historical' investments of vital importance for the future of Europe that would profit from this fund:

- Modernisation of energy networks and support for energy efficiency investments in smarter technologies in the areas of buildings, transport, energy and industry.
- Reinforce investment in broadband networks, prioritising investment in networks required by the manufacturing sector for the digitalisation of production processes, products, and services (industrial internet) and for the development e-health infrastructures.
- Foster the development of business ecosystems which will strengthen Europe's competence in the areas of industrial internet and industrial IT security which are critical to supporting the digitalisation of manufacturing.
- Transport: further develop the high-speed trans-European rail infrastructure, with a focus on cross-border links; be supportive of investments in electro-mobility and shore-side electricity in harbours.
- Safety and security infrastructures: ensure the protection of critical infrastructure and utilities, security of citizens and EU outer borders.

#### Is the Industrial Renaissance still alive?

Very much so. Following the European Commission's Communication issued in the first half of 2014, industry finds itself very much back in fashion. In particular, as manufacturing finds itself ever more intertwined with the Information and Communication Technologies (ICT), terms such as 'smart industry' and 'Industrie 4.0' are becoming 'household

## EUROPEAN ENGINEERING SNAPSHOT IN 2014

### OUTPUT

€1,825 BILLION

### CHANGE IN OUTPUT (2014/2013)

1.7%

### EMPLOYMENT

10.3 MILLION

phrases. Automated production systems using advanced robotics increasingly communicate with each other on detailed aspects of production, joining up a hitherto fragmented manufacturing processes and allowing the development of new products and service offerings. By linking all steps in the value chain, a world of possibilities opens for companies, old and new. And this is not limited to production but is pervasive throughout the economy offering new horizons in the energy and medical sectors as well as the wider economy.

Europe's engineering industry is a technology champion. The world economy is in a permanent state of flux. Essentially

we are at the beginning of a new industrial revolution that will lead to the massive integration of ICT into manufacturing and the economy as a whole. This will lead to better, greener and more customised products. Our companies are at the heart of innovation through the technologies, equipment and systems which they develop and produce. However, Europe can only profit from these new opportunities if the preconditions for our companies are in place. They must be able to rely on a stable framework, including safe access to raw materials and energy, and reliable laws to be competitive and to create new jobs here in Europe. This includes creating the conditions for small and medium-sized enterprises to thrive and fostering a spirit of entrepreneurship which will see more European talent harnessed for wealth creation in Europe.

We are convinced that a strong manufacturing base is indispensable for the European economy and now the EU institutions seem to be as well. This is why the EU has aimed at adopting the target to increase the industrial share of the EU economy to 20%. To reach this target, we need to create a legal framework where manufacturing companies can flourish and grow. For this, it is essential that the European Commission understands first-hand, exactly how this framework should be constructed. That information comes through organisations such as Orgalime.

### **Technology for the World: Manufactured in Europe?**

Without a doubt! Our vision paper published in the summer (2014) highlighted that, as an industry, we believe in Europe. We want to promote, in partnership with policymakers and regulators, the conditions under which our companies can flourish, grow and provide solutions to deal with today's societal global challenges: employment, climate change, energy security, environment, health and an ageing population. Why in partnership? Simply because telling industry from Brussels



what is good for us does not work. Companies decide where and when they invest, not regulators, as the sharp downturn in manufacturing output as part of the overall GDP has shown. Our industry has strongly benefitted from the European Union, especially from the internal market which underpins the competitiveness of our industry in a globalised economy.

### **The future's bright for the industry and for Orgalime?**

In 2011 Orgalime's statutes were revised to open up to European sector associations, the membership of our association which, at that time, included 32 national



*Europe's engineering industry is a technology champion. The world economy is in a permanent state of flux. Essentially we are at the beginning of a new industrial revolution that will lead to the massive integration of ICT into manufacturing and the economy as a whole.*

associations from 22 countries. Now 4 years' later Orgalime's membership has risen to 41 member associations from 23 countries.

We have again adjusted our own internal structures and work programmes to cover the needs of 'advanced manufacturing' / 'Industrie 4.0', the 'Energy Union' and the 'Digital Single Market' agenda. We continue to develop a cooperative and coordinated approach across our industry's network.

Our network is vast since we cover roughly 150 different product sectors, many of which have over time set up their own European sector associations. We have adapted to work collaboratively with the constituent parts of our industry: today, beside our member associations, we also service some 22 European sector associations and EFFRA, the research association for the production technology area of our industry; we have a membership which includes both our core national associations from 23 countries, but an increasing number of European sector associations covering a single product or product area.

It's not only the Institutions that offer a joined up approach!

# Board and Policy Committees

“Orgalime believes in a stronger and more efficient Europe and therefore our vision is to promote, in partnership with policymakers and regulators, the conditions under which our companies can flourish, grow and provide solutions to deal with today’s society’s global challenges: employment, climate change, energy efficiency and security, environment, health and ageing population. It is the technologies of our industries that will allow this to happen. Our industry has strongly benefitted from the European Union especially from the internal market and we see an efficient and effective EU focusing on the right priorities as a cornerstone for the competitiveness of our industry in a globalised world. In this context, our industry is a major solution provider, acting in a constructive and modern way for society”.

Eric Jourde, Chairman of Orgalime

## Board of Directors

Mr. Eric Jourde (FIEEC - France) - Chairman	
Mr. Howard Porter (BEAMA - UK) - Vice Chairman	
Mr. Klaus Mittelbach (ZVEI - Germany) - Past Chairman	
Mr. Rafael Campos Pereira (AIMMAP - Portugal)	
Mr. Andrea Orlando (ANIMA - Italy)	
Mr. Thomas Bustrup (DI - Denmark)	
Mr. Peter Bongaerts (FME - The Netherlands)	
Mr. Berndt-Thomas Krafft (FMMI - Austria)	
Ms. Maria Sandqvist (TEKNIKFÖRETAGEN - Sweden)	
Mr. Thilo Brodtmann (VDMA - Germany)	

## Policy Committees

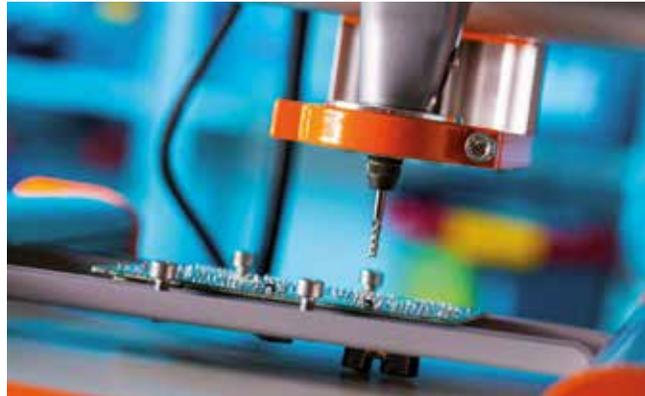


**Metal Articles Liaison Committee (MALC)**

“The fabricated metals and metalworking industry’s turnover in 2014 is estimated at almost €523 billion. In terms of employment this is the largest sector of European engineering with around 3.6 million staff. The sector produces mainly inputs and products used in other engineering sectors such as machinery or for the automotive industry. Now that in 2014 we have seen the beginnings of a turnaround in the engineering industry, turnover in the fabricated metals and metalworking industry has improved, growing by 1.4%. As the effects of growth in its client industries take some time to pass through, although the sector grew less than other engineering sectors in 2014, in 2015 we expect growth to reach 2.4%. This is excellent news.”



**Andrea ORLANDO, ANIMA,  
Chairman of MALC**



**Committee of the Electrical and Electronic Industries (CEEI)**

“The electrical, electronics and instrument industry is among the largest industrial sectors in Europe and with the increasing digitalisation of manufacturing has seen a strong rebound in 2014, passing from a contraction of 3.3% in 2013 to a growth of 1.6% in 2014. Its 2014 turnover reached €625 billion in total. The sector employed an estimated 2.5 million people (excluding the medical equipment industries which employ close to half a million people). Growth has been particularly strong in some of the components and capital goods sectors whereas performance in consumer goods has been at best flat. Growth will continue at a moderate level in 2015 (1.9%).”



**José Ignacio PRADAS-POVEDA, SERCOBE,  
Chairman of CEEI**



**Mechanical Engineering Liaison Committee (MELC)**

“The European mechanical engineering industry accounted for an annual turnover in 2013 of around €675 billion. The sectors’ employment is estimated at more than 2.9 million people. As for other engineering sectors, 2014 was year of growth with turnover rising by 2.1%. Here too the increasing digitalisation of manufacturing products and processes is offering new markets to the industry which is expected to continue its gradual recovery with growth reaching 2.2% in 2015.”



**Maria SANDQVIST, TEKNIKFÖRETAGEN,  
Chairman of MELC**

# The Business Situation in 2014

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

We analyse first and foremost the economic trends for metal products, mechanical engineering, electrical engineering, electronics and ICT and instruments - mainly chapters 25 to 28 of the NACE rev.2 business nomenclature as well as chapter 33 (installation and repair services) where reported by the industry.

Based on official data available, we estimate that the engineering industry's total turnover value in the European Union reached more than €1800 billion in 2014. The number of employees stood at more than 10.3 million people of which 1.25 million working in installation and repair services.

The engineering industry counts for over a quarter of the turnover and a third of the exports of the EU manufacturing industries.



## FORECASTS 2015

**AVERAGE  
GROWTH  
ORGALIME  
INDUSTRIES**  
**+ 2.1%**



**EXPORTS**  
**+ 2.0%**



**INVESTMENT**  
**+ 4.4%**



### European engineering snapshot

	2014	2013
Turnover value	€1825 billion	€1794 billion
Employment	10.3 million	10.2 million



## 2014: Ups-and-downs result in modest growth over the year

Whereas 2013 ended with negative turnover growth in the fourth quarter, 2014 started very well for the engineering industries. All subsectors showed strong growth in the first quarter of the year. However, the overall economic climate deteriorated, mainly due to geopolitical tensions.

This resulted in a poor performance in the second quarter. The third and fourth quarter of the year showed some recovery, but not near the growth of the first quarter.

In total, these developments resulted in a modest growth of 1.7% in 2014 as a whole for the European engineering industry.

### Situation in sectors

#### Annual change of turnover of European Engineering Industries - Growth in %

SECTOR / YEAR	2014	2015 (estimate)
Mechanical engineering	2.1	2.2
Electrical, electronics and instrument engineering	1.6	1.9
Fabricated metal goods	1.4	2.4
Total Orgalime industries	1.7	2.1
<i>Employment including repair and installation services</i>	0.0	-0.1

### Mechanical engineering industry

The European mechanical engineering industry accounted for an annual turnover in 2014 of around €675 billion. Employment is estimated at more than 2.9 million people.

The mechanical engineering industry was the strongest growing sector in the total engineering industry in 2014 which saw a rebound to 2.1% growth after a contraction in 2013. For 2015, it is expected that growth will continue at some 2.2%.

As the sector is steadily growing, most subsectors showed an increase in production in 2014. The only subsector with a contraction in production was that of agricultural machinery (-3.6%).

### Electrical, electronics and Instrument industries

The electrical, electronics and instrument industry is among the largest industrial sectors in Europe. Its 2014 turnover reached more than €625 billion. The sector employs more than 2.5 million people.

After a decrease of 3.3% in 2013, the sector grew in 2014 by 1.6%. In 2015, it is expected that growth will continue and become stronger rising to 1.9%.

The subsectors showed a mixed picture. As in 2013, consumer electronics showed a strong decrease in production (-7.8%). The optical instruments, electrical lighting and domestic appliances subsectors all had a modest decrease in production. The manufacturing of electronic components and boards, however, performed well, showing strong growth (7.7%), whereas the measuring and testing, watches and clocks, battery accumulators and wiring subsectors grew at a more modest pace.

### Fabricated metals and metalworking industry

The fabricated metals and metalworking industry's turnover in 2014 is estimated at around than €523 billion. In terms of employment this is the largest sector of the European engineering industry with around 3.6 million staff.

This sector produces, to a large extent, inputs and products used in other engineering sectors such as machinery. As the performance of the engineering industry as a whole improved, so this sector also grew (1.4%). For 2015, it is expected that this sector of Orgalime's industry will grow the strongest by 2.4%.

There were wide variations in performance among the subsectors in the fabricated metals and metalworking industry. Subsectors such as forging, pressing and roll-forming, and coating and treatment of metals showed an increase in production, whereas the manufacturers of tanks, reservoirs and containers experienced a contraction in production.

### Employment

It is estimated that employment grew by less than 0.1% in 2014, after a decrease of 1.1% in 2013. As turnover and production increased in 2014, the modest growth in employment can be attributed to the necessity to keep up with internationally determined productivity growth.

For 2015, the stabilisation of employment is expected to continue (-0.1%).



### 2015 General outlook: Modest growth expected

Economic forecasts and forward-looking surveys expect an upturn in worldwide and European economic performance.

According to the IMF forecast of January 2015, global growth will be around 3.7% in 2015. However the IMF sees some downward (and upward) risks, which can influence global economic performance.

The OECD leading indicator pointed in March 2015 to a positive change in growth momentum in the euro area.

For 2015, the OECD expects the European economy to grow by 1.4%. There are, however, still risks and uncertainties for the European engineering industry, such as:

- prolonged low inflation in the euro area
- uncertainty about the Chinese economy and its slowdown
- geopolitical concerns, especially the situation in Ukraine and its consequences on trade relations with Russia, a significant trading partner for the engineering industry
- low oil prices which are beneficial for the industry as a whole, but for some sectors, will result in lower investment.

The weak euro can be considered as an upward risk, as it is expected to have a positive influence on the exports of the engineering industry.

Therefore, Orgalime economists foresee a modest improvement in the overall business climate for the industry in 2015. Growth is expected to continue and increase in strength at 2.1%. This is still below the long-term average growth of around 3%.

There will be no large differences in growth rates among the industry's most important sectors. Electrical, electronics and instruments engineering will grow the slowest at 1.9%, whereas the fabricated metal goods sector is expected to grow by 2.4%. Exports (intra and extra-European) will grow by an estimated 2.0%. Investment will grow at an estimated 4.4%

Growth is expected to be unevenly distributed amongst countries, although there are no countries where the engineering industry is expected to contract.

Major forecasts predict a further increase of global and European growth in 2016. The IMF's World Economic Outlook estimates a global growth of 3.7%.

The OECD expects for Europe a strong increase in growth in 2016 (2.0%). Therefore, further improvement of the economic performance of the European engineering industries is a clear possibility.

As industry is the cornerstone for a sustainable long-term economic growth, it is to be hoped that politicians on the European and national stage continue their newfound supportive approach to the manufacturing industry, and that we will see the political commitments made, translated into action, with the resulting growth in the economy and labour market.

# Issues

## INDUSTRIAL POLICY



Adrian Harris



Christoph Riedmann



*'Technology for the World: Manufactured in Europe' has clearly had a significant impact on the Commission's industrial policy agenda and led to better understanding in the EU institutions and member states that a strong industrial manufacturing base is a must for growth, prosperity and employment.*

### 'Technology for the World: Manufactured in Europe'

Just before the European Parliament (EP) elections and the appointment of the new European Commission (EC), Orgalime issued its vision paper 'Technology for the World: Manufactured in Europe'.

Our aim was to brief regulators at the outset of this legislature on where our industry was heading and what we required to remain one of the dominant manufacturing sectors in the EU and moreover the major industry export sector.

'Technology for the World: Manufactured in Europe' has clearly had a significant impact on the EC's industrial policy agenda and led to better understanding in the EU institutions and member states that a strong industrial manufacturing base is a must for growth, prosperity and employment.

Europe's engineering industry is a technology champion. However, the world economy is changing permanently as is technology. Currently, we are at the beginning of what we see as a period of rapid evolution - if not an industrial revolution - that will see to the massive integration of Information and Communications Technology (ICT) into products, manufacturing processes, the energy systems and the economy at large. This is a much more radical change than people may imagine today which will affect what we make, how we make it and where we make it. This will require a much more interconnected world than we have today and we are not talking about persons but about sensors, machines and systems: we are talking at world level of 1 billion connected people, but we are moving, according to forecasts, towards 25 billion connected devices this year and at least 50 billion connected devices by 2020.



Nevertheless, Europe can only profit from these new opportunities if the preconditions for our companies are in place. This is why our work programme this year focuses on a wide range of issues which are briefly described in our vision paper. They range from very technical issues to complex legal issues.

**Big data**

The position Orgalime issued at the beginning of the year aims to address both the specific issue of data but also links into the EC's wider policy agenda. It refers to a series of more specific positions which we have developed, for example on Trade secrets (see legal report) and on standard EN300328 (see internal market and standardisation report) or intend to develop (for example on data protection and on cybersecurity), as well as setting the issue in the context of the EU's wider policy agenda.

Our industry sees big data as the fuel for the engineering industry's growth for the future. Despite this huge potential in the B2B-sector, big data has been mainly discussed in relation to the use of private consumer data and related issues. If we believe big data offers significant potential at the level of customer empowerment, such as in the area of energy consumption and thus competitive energy, it also offers significant potential for the improvement of the efficiency of production processes and logistics as well as working conditions.

We therefore consider that the framework conditions under which companies are able to use data to provide efficiency and value added in the B2B sector is equally important.

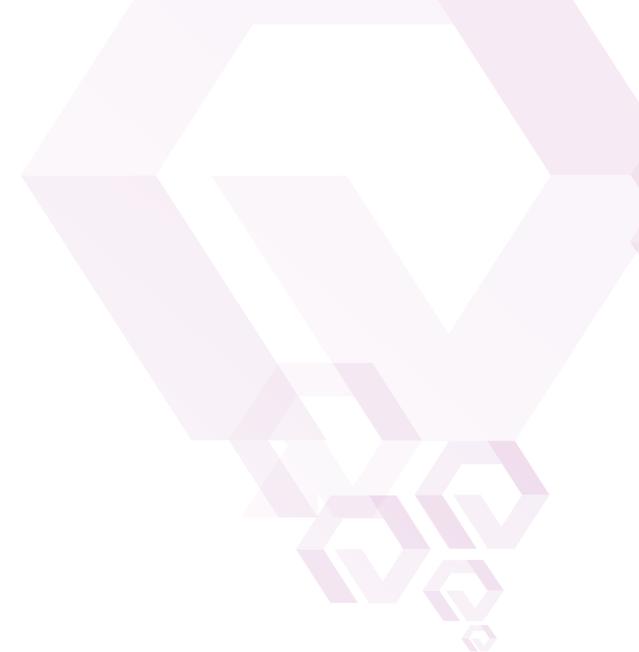
**The Internal Market: an Integrated Approach**

Orgalime is now following on from this initial position with further in depth work so as to develop its overall position in the multiple areas which will be impacted notably by the Horizon 2020 research and innovation programme as well as the forthcoming regulatory initiatives arising from the Digital Single Market, Energy Union and Internal Market Packages and the ongoing work on the Circular Economy Package. There, we are pushing for an approach which is much more focused on introducing a new approach which moves away from traditional detailed product and waste regulation towards realistic objective based policies for example, landfill bans for capital goods and consumer durables, would allow our industry to develop innovative technologies and services that will usher in resource efficiency and the circular economy. This approach of course will require a radical rethink of the somewhat antiquated regulatory approach in this area applied over the last fifteen years, but this is necessary if policies such as the circular economy are to be compatible with the 'industrial renaissance'.

If all this is in place, Europe will once again be the place where future manufacturing has its home. Let us hope that we will be able together to launch tomorrow's technology for a better world!

“  
*Today we are talking at world level of 1 billion connected people, but we are moving, according to forecasts, towards 25 billion connected devices this year and at least 50 billion connected devices by 2020.*

# ENERGY, ENVIRONMENT & CLIMATE CHANGE POLICY



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**Sigrid Linher**



**Maria Chiara  
Detragiache**



**Ulrich Fikar**



**Deborah Girasa**



**Lars Koch**

## Towards a European Energy Union

On 25 February 2015, the European Commission (EC) adopted its strategy to achieve a resilient Energy Union with a forward-looking climate change policy, one of the top-ten priorities set out in President Juncker's political guidelines.

Now for the first time, the EC has committed itself to giving energy efficiency first priority. Europe needs to “*fundamentally rethink energy efficiency and treat it as an energy source in its own right so that it can compete on equal terms with generation capacity*”. The buildings and transport sectors are particularly in focus; a heating and cooling strategy will be developed.

In addition, the EC has announced it will come forward with a new, ambitious legislative proposal to redesign the electricity market linking wholesale and retail to enable full participation of consumers, notably through demand response, and “*a new deal for consumers*”.

Ahead of the adoption, we had provided our overall ideas for developing and pursuing Europe's future Energy Union and wider energy policy agenda in a letter to Mr. Maroš Šefčovič, Vice President of the European Commission and Mr. Miguel Arias Cañete, Commissioner for Energy and Climate Action.



We also addressed the President of the European Council with our core recommendations: a successful future Energy Union, in our view, needs to focus on bringing the benefits of the newly adopted European 2030 Climate and Energy Framework to consumers and wider society through a truly consumer-centric, competitive future internal energy market.

We also stressed the need to focus on creating synergies between the Energy Union, the Digital Single Market, the EU's Industrial, Resource Efficiency and Circular Economy policies: for all of these priority policies, it is our industry which has the technologies required to bring about a real change which will benefit Europe's manufacturing landscape and boost much needed manufacturing investment in Europe.

### 2030 Energy and Climate Change Framework

After issuing a position paper on this issue early in 2014, throughout the past year, we followed the institutions' work on establishing a 2030 Energy and Climate Change Framework. As firm supporters of energy efficiency, our aim has been to bring this back into the centre of the political agenda.

The event we co-organised during the European Union Sustainable Energy Week (EUSEW) allowed Orgalime and its partners - EHI, ESMIG, Europump, Lighting Europe and T&D Europe - to showcase technologies which can build a bridge towards achieving the energy and climate targets (2020 to 2030 and beyond), while at the same time providing cost

savings and other benefits to consumers. Orgalime highlighted that the technologies are there right now and that what is needed is to focus on deploying them. Unfortunately, the political signal to achieve this has been sorely lacking until now.

Ahead of the European Summit on 23 October 2014, Orgalime therefore released an open letter to regulators and detailed comments on the EC's Energy Efficiency Communication. We appreciated that an energy efficiency target has finally been added and confirmed in the framework: we see this as the essential link for implementing and achieving in practice the new Renewables and Greenhouse Gases (GHG) targets, for strengthening Europe's energy security through reduced import dependence, for reducing energy poverty and for boosting innovative jobs and growth in Europe.

We will therefore go on encouraging policymakers to continue being proactive, so as to definitely close the gap between existing energy efficiency achievements and the 30% target by 2020.

Remaining, on the positive side, it is good to have an investment signal now to drive investment into low carbon technologies, including renewables and energy efficiency. Our industry, as technology providers has been ready and waiting for this for some time now.

Finally one must not forget the rest of the world; we believe it is essential that the EU works towards getting other countries on board taking similar action at the international level: a common global approach on energy and climate issues is important to support European industry's investments in energy efficiency and low carbon technologies.

## Internal Energy Market

2014 was to be the year of the completion of the Internal Energy Market; this target has been missed. Orgalime would like to see a fully completed, interconnected, consumer centric future energy market in Europe.

In particular, as we stated in our answer to the consultation on energy retail market in April 2014, we support the liberalisation of the energy retail market as an important element of a well-functioning European energy market that allows consumers to enjoy the benefits of available, innovative energy efficiency and low carbon technologies and other services. Consumers need to be able to achieve better control over their energy costs, consumption and overall management through the combination of decentralised energy generation, energy management systems and smart appliances. This is what we stressed in our response to the EC public consultation on the Energy Retail Market in April 2014.

In June, we then responded to the public consultation of the Agency for the Cooperation of Energy Regulators (ACER) on its 'Green Paper: Energy Regulation: A Bridge to 2025'. Orgalime agreed with many of the identified issues, trends and regulatory responses. However, we stressed the need to place more emphasis on the availability of low carbon and energy efficiency technologies which are ready for deployment, and the trend of consumer empowerment in an ever more decentralised energy market. Finally, we called for opening up the markets and adopting new production and consumption patterns, thereby enabling a different and evolving role for consumers as the required technologies are available and continuously developing.

## Energy Infrastructure

The European Commission's (EC's) Smart Grids Task Force, on which Orgalime has a seat, adopted the report on 'Regulatory Recommendations for the Deployment of Flexibility'. The recommendations are the result of one year's intense discussions in this task force.

In our view this report represents a starting point for the Energy Union follow-up. However, Orgalime believes that in several critical areas more innovative solutions need to be available, so as to take full account, to the benefit of consumers, of developments which today's technology already allows. There is much more potential for flexibility in the market, which will facilitate the introduction of new services and possibilities, such as in the area of e-mobility. We see the need for more transparency in constraint management, to have a broader perspective on incentives, thereby allowing actors other than distribution system operators (DSOs) to access and manage data. This will lead to a more competitive electricity market model where consumers can play an active role.

In addition, we have been closely monitoring EU Smart Cities' developments. The EC introduced new tools for smart cities' stakeholders in the European Innovation Partnership on Smart Cities and Communities (EIP SCC) at 2 events in Brussels, which Orgalime attended. In parallel, Orgalime published its position paper which provided policy recommendations from our industry to policy makers, cities and communities to underpin their moves towards the development of smart cities.





### Energy Efficiency Directive (EED)

Implementation of the Directive continues to be the key challenge: at the beginning of the year, we issued a guideline on how to effectively implement article 4 of the Directive related to renovation of buildings and, in April 2014, we provided our response to the European Commission's (EC's) public consultation on the EED review, which tied in with the parallel development of the EC's 2030 Energy and Climate Framework proposal.

Later in the year, we were pleased to see the EC's Energy Efficiency Communication, completing the 2030 Energy and Climate Change Framework proposal in the area of energy efficiency, by proposing a 30% energy efficiency target, which it underlined could possibly be reached by 2020.

Indeed, commitment to implementing the existing 2020 energy efficiency target is essential. However, this cannot be taken for granted but requires determined action. The more that is done now to meet the 2020 target, the easier and less costly it will be to meet the new 2030 target.

To close the gap between today's energy efficiency levels and Europe's 2020 commitments, we particularly recommend strengthening the implementation of Article 7 of the EED, to encourage utilities to become more active in the roll out of smart meters and smart services, areas where we see a tendency to lag behind in many countries.

### Alternative Fuels Infrastructure Directive

During the year Orgalime issued a position paper on the transposition and implementation of the Alternative Fuels Infrastructure Directive that entered into force in November

2014. This Directive is an essential piece in the puzzle towards the introduction of e-vehicles and a greater reliance on shore side electricity for ships at berth. The document provides a set of common principles and recommendations for the pending transposition and implementation process of the Directive in EU member states and aims to support our members in their activities at national level.

We essentially encouraged member states to start working immediately on transposing the Directive, to set clear targets and to publish national policy frameworks for the deployment of alternative fuels infrastructure, even before 2016 (the deadline established in the Directive).

Orgalime urged member states to consider the highest possible level of interoperability and the deployment of shore side electricity, when drawing up their national deployment plans for electric recharging infrastructure. We also strongly recommended that the European Commission should carry out proper stakeholder consultation with experts on critical issues for our industry that still need to be decided through delegated acts.

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

Resource efficiency is an area which remains high on the political agenda. For our industry, where material and energy inputs represent a major part of manufacturing costs, this has long been an economic imperative. Orgalime is therefore fully supportive of the need to achieve sustainable use of resources.

As a result, we were very active in the debate preceding the July proposal of a Circular Economy Package (CEP). We provided comprehensive and constructive input, such as through our position papers on resource efficiency indicators,

on waste policy and on the circular economy. We had already raised our main points in a political letter under the previous European Commission, addressed to Mr. Janez Potočnik, Commissioner for the Environment.

At the outset of the new EC, within the framework of our General Assembly in November 2014, we organised a debate with members, Members of the European Parliament (MEPs) and the EC, the central topic of which was 'Resource Efficiency meets Industrial Policy': indeed, the way the EC develops its policy in this area can either be good for manufacturing or it can be just the opposite. The first proposals under the last EC had tended towards this second option.

Therefore soon after the new EC had taken office, we addressed our key recommendations in a letter to Mr Frans Timmermans, First Vice President of the new EC.

Now that the EC has withdrawn the waste related proposals of the first version of CEP and is working towards "*a more ambitious proposal*" before the end of 2015, our efforts are concentrating on providing additional ideas for promoting the circular economy within a wider resource efficiency perspective and in way that is coherent with the 10 priorities of President's Juncker EC - with the jobs and growth, digital, energy and climate agendas in particular.

### Eco design (ErP) and Energy Labelling (EL) Directives

2014 kicked off with the EC's high level International Conference on Eco design and Energy Labelling, at which Orgalime presented its views on both the pending reviews of the Directives and on the challenges related to a wider implementation of resource efficiency.

Throughout the year, we underpinned the work of ECOFYS on a review study for the EC on the effectiveness of the Energy Labelling and certain aspects of the Eco design Directive. In December, the final report, which we support in many areas, was published. In particular it stressed that it is premature to revise the Eco design Directive, that the 2 Directives should not be merged and that market surveillance must be improved.

On the other hand, Orgalime advised against setting up a product registration database which, we are certain, is neither feasible nor appropriate from a cost benefit perspective and cannot replace proper market surveillance. We also recommended not using energy labelling for business-to-business products, since professional users have different

information needs than those for which what the Energy Label is designed. Our main concern, however, remains on the suggested wider focus on resource efficiency requirements, which we believe are unmeasurable and unenforceable due to the lack of supporting methodologies and standards.

Orgalime also commented on the draft material efficiency standardisation mandate and took part in the discussion on the EC's guideline on self-regulatory measures and on the proposed Eco design working plan for the years 2015-2017, an issue on which we published several positions during the year.

### Substance policy

The discussion on the implementation of the REACH Regulation, the EU framework legislation on chemicals, and its interaction with the sector specific RoHS Directive continued. Orgalime's long-time call for a clarification of the relationship between REACH and RoHS has finally been heard, and we are particularly satisfied with the adoption of the related CARACAL Common Understanding Paper.

The document helps to clarify the interaction between these 2 legislative acts. Its provisions have already been applied to the draft regulation for a restriction on lead in all consumer products under REACH, which now removes from its scope electrical and electronic equipment covered by the RoHS Directive. In other critical areas, however, the Common Understanding still needs to be incorporated, notably in the pending RoHS substance evaluation methodology.

In this context, we became a member of the RoHS expert working group chaired by the European Commission (EC) and are striving for common support to arrive at a sound, science-



based evaluation of substances to be potentially restricted under RoHS in the future, which is coherent with the provisions of the REACH Regulation.

Concerning other RoHS implementation issues, we requested the prompt adoption of a proposal to review the scope of RoHS to clarify outstanding issues. Whilst on the proposal to restrict the use of four new substances under RoHS, Orgalime questioned the use of the unconsolidated UBA methodology, as it sets a wrong precedent in view of the upcoming new substance reviews and potential restrictions.

On the topic of REACH, Orgalime has continued to monitor and analyse its implementation. In the second half of 2014, we got involved in the discussion on the impact of substance bans for the production of spare parts and on possible solutions to this issue. Orgalime produced a position paper and a follow-up comment paper, shared with the EC and national authorities, highlighting possible solutions for our sector.

Orgalime is now following closely the ongoing discussions on the streamlining and simplification of the REACH authorisation process. We have recently submitted our comments and suggestions to the EC on this issue.

## Waste Policy

In October 2014, Orgalime was invited to the consultation meeting on interpretation of 'equivalent conditions' for the shipment of Waste Electrical and Electronic Equipment (WEEE) outside the EU. According to this proposal, an independent verifier should be obliged to provide evidence that the facility in the third country receiving WEEE applies treatment conditions equivalent to the second WEEE Directive. This is Orgalime's main concern, as the international standards on the basis of

## WE ANSWERED THE EC'S PUBLIC CONSULTATION ON THE CERTIFICATION OF WASTE TREATMENT FACILITIES PROMOTING THE USE OF INTERNATIONAL STANDARDS AS AN ALTERNATIVE TO CERTIFICATION



harmonised European standards are better suited to deliver the environmental objectives than a certification scheme. Moreover, they are more cost effective. In March, therefore, we answered the European Commission's (EC's) public consultation on the certification of waste treatment facilities and promoted the use of international standards as an alternative to certification. These are in our view equally relevant for the pending decision on the interpretation of 'equivalent conditions' for the shipment of WEEE outside the EU.

During spring we also published our assessment of the WEEE FAQs and contributed to the study on implementation of the new WEEE collection rate.

At the beginning of 2015, the EC contracted TRASYS to carry out a study on harmonisation of the format for registration and reporting of producers of Electrical and Electronic Equipment (EEE) to the national register and on the frequency of reporting. Orgalime has been identified as a key stakeholder for this project and has provided its response to the stakeholder consultation.

## Industrial Emissions Directive (IED) and Air Policy

Orgalime closely follows the implementation of the IED. In addition to our experts being active in the 'Seville process' of preparing Best Available Techniques documents (BREFs), we participated in 2 meetings of the Article 13 Forum providing comments to the EC ahead of the finalisation of such BREFs Conclusions. We attended a workshop on the subject organised by the European Commission (EC) and Germany where BREFs were discussed, assessed and industry provided recommendations to improve the documents.

Our experts will continue to review BREFs for different sectors in the years to come. Those documents are of great importance to our industry, as they represent the reference used by national authorities to grant operating permits to manufacturing plants.

From June 2014 on, Orgalime has followed the discussion in the Council and in the European Parliament (EP) on the EC proposal for the limitations of emissions of certain pollutants from medium-sized combustion plants. Orgalime has issued a position paper on the matter.



# INTERNAL MARKET & STANDARDISATION



**Philippe Portalier**



**Eleonora Piccinni**



**Efthymia Ntivi**



**Christine Kiernan**

## European standardisation policy

Orgalime closely monitors the implementation of the Regulation on European standardisation, as the European Commission's (EC's) standardisation requests to CEN, CENELEC or ETSI could have a positive or negative impact on European companies. Industrial policy, including standardisation policy directly affects the business interests of our industry. Orgalime therefore issued several positions on different aspects of standardisation policy as well as on individual standardisation mandates during the year.

Although industry supports 95% of standards' development costs and is the main user of standards, it is not represented in the Committee on Standards (CoS) - the body that takes implementing decisions on EC standardisation requests. As our calls for inclusion as an observer, have by and large been ignored, Orgalime and a number of other associations involved in standardisation have worked on setting up the INdustry GRoup on European Standardisation Strategy (INGRESS).

16 industry associations initially have teamed up to launch INGRESS in March 2015, with the numbers anticipated to rise rapidly. INGRESS was born from the common wish to inform European policy makers about industry's interests and priorities for using European harmonised standards, requested by the EC, and to ensure that market relevance remains the principle driver of European standardisation.





WE CALLED ON THE  
NEW EUROPEAN  
COMMISSION TO  
**WITHDRAW  
THE PACKAGE**  
AND START OFF ON THE  
RIGHT FOOT

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

In 2014, these European Commission (EC) proposals were discussed extensively in the European Parliament (EP) and Council. Last spring, Orgalime advocated against EP's proposals, which we felt would add burden onto legitimate economic operators without ensuring that existing and future legislation is effectively enforced by market surveillance authorities. We successfully persuaded the EP to reject an amendment for an 'EU Safety Tested' marking that would have added third-party certification costs, even where this is not required by law.

While the CPSR-MSPR package is stuck in the Council of Ministers over the issue of the mandatory 'country of origin' marking, we called on the new EC to withdraw the package and start off on the right foot. We believed that what had started off as a package which would have to large extent helped to establish fair competition conditions in the internal market was progressively being turned into a package which would add yet more requirements and therefore burdens on companies without providing reasonable benefits to them.

We will continue to follow moves on this package which is at present on hold.

Another important issue in the standardisation area, was a review of the Vademecum on European standardisation. This document is intended for use by the EC services in their relationship with European standardisation organisations. Orgalime voiced its concerns by issuing a position paper in September 2014 and subsequently during an EC workshop in October.

In a detailed letter to former Commission Vice President, Mr. Antonio Tajani in June 2014, we voiced our concerns and criticism of the way that the EC was implementing the recently adopted standardisation Regulation 1025/2012 and asked that the EC should in its ongoing review take more account of industry as a stakeholder and the strategic nature of standardisation which affects our industry's ability to compete and operate successfully on world markets. We are particularly

concerned that the European standardisation system may lose much of its capacity to be flexible and responsive to the needs of manufacturers and their markets at a time where digitalisation of industrial products, processes and value chains demands a more rapid response rather than an increasingly bureaucratic one. Later in the year, we repeated our concerns in answer to the online survey requested by the EC on the implementation of the European standardisation system. Unfortunately, the EC for the moment seems intent on rigidly sticking to its view that it knows what is required in the area of standardisation.

With standardisation being one of the core topics on our agenda, Orgalime will put even more effort to ensure that industry's interests are kept high on the EC's future agenda.

### The European Commission's (EC's) vision for the internal market for industrial products

Orgalime provided a detailed answer to the EC's Communication "A vision for the internal market for industrial products" which we feel includes several ambitious suggestions for improvement. In our position, we welcomed especially the focus on the actual enforcement of harmonisation legislation.

However, we expressed our reservations towards moving on an 'e-compliance' system. Orgalime believes that such a system could not replace physical checks and on-the-spot controls of products placed on the market, but might perhaps help in providing documentary evidence to complement physical checks and in this way strengthen the efficiency of market surveillance controls.

We also provided comments on remaining barriers to trade for products not covered by harmonisation legislation. In Orgalime's opinion national legislation, along with the mutual recognition principle, are sufficient for placing the remaining non-harmonised, 'non-consumer' industrial products on the market. Further harmonisation, would potentially harm these sectors, as the new rules may not be adapted for complex and innovative products and processes in the business-to-business sectors.

### Harmonisation legislation – Alignment with the New Legislative Framework (NLF)

In October and November 2014 the European Commission organised 3 workshops to facilitate the transposition of certain Directives aligned with the New Legislative Framework (NLF): the Electromagnetic Compatibility (EMC), the Low Voltage



(LVD) and the Radio Equipment (RED) Directives. The LVD and EMC were purely aligned with the NLF, while the RED has undergone a revision that includes changes in its scope.

The workshops addressed both horizontal and directive-specific issues linked with the transposition of the aligned provisions. Orgalime can consider these workshops as a success, because the interpretations we suggested in our position papers were adopted on most issues that had required clarification.

Orgalime also submitted comments and interpretative fiches to improve the second version of the so-called 'Blue Guide' on the implementation of EU product rules.

### Radio Equipment Directive (RED)

Besides issues linked with the transposition of the RED that was published in May 2014, Orgalime is facilitating a political solution for the automation industry on the issue of mitigating radio spectrum interference for their wireless applications.

The Radio Equipment Directive is likely to impact the competitiveness of EU wireless automation devices and beyond, the EU's advanced manufacturing ('Industrie 4.0') strategy.

Orgalime will continue to monitor the issue. The proliferation of the users and the ability for our industry to continue making a fit-for-purpose use of the radio spectrum are among the future challenges.

## Machinery Directive (MD)

Orgalime is pleased that the suggestions we made in our position on the issue not to merge the MD with the Noise from Outdoor Equipment Directive (OND) were taken on board. We underlined several issues which would arise from a merger, including: differences in the approach, varying conformity assessments procedures and management of both Directives in the member states.

We have also continued to monitor the implementation of the MD and will continue to do so throughout 2015, especially, in view of its revision that, according to the European Commission's working programme, is scheduled to be initiated this year.

## Noise from Outdoor Equipment (OND)

As mentioned above, given the output of the on-line consultation and the study not to merge the Machinery Directive (MD) with the OND, Orgalime supported the position to have a stand-alone revision of the Directive.

At its Noise Experts Group meeting early in 2015, the European Commission (EC) informed participants that the new OND would take a form of a regulation rather than a directive – an approach that is supported by our industry since this would clearly limit differing interpretations and approaches in member states, which lead to issues for manufacturers.

Orgalime will monitor various initiatives during the preparatory revision process, including the study announced by the EC on the scope and limit values of the OND which, it is expected, will be launched in April 2015. Orgalime is currently working on a detailed position paper.

## Gas Appliances Directive (GAD)

In May 2014, the European Commission (EC) issued a long-awaited proposal aligning the existing GAD with the 'New Approach' philosophy. Following its publication, Orgalime issued a position paper welcoming the proposal of a regulation instead of a directive and the fact that the scope of the GAD had not been amended.

The EC proposal is now being discussed in the European Parliament (EP) and in the Council to which we have submitted our proposals for improvements. We are pleased that the majority of our recommendations have been taken into account and included in the draft report of the EP Rapporteur. Whilst we are happy to see the inclusion of these amendments, we will continue to strive for the recommendations related to the incorporation of product contact points and implementing acts instead of delegated acts to also be included.

We will continue to follow the progress of this draft regulation throughout the legislative procedures.

## Pressure Equipment Directive (PED)

After the publication of the newly aligned Directive with the New Legislative Framework (NLF), we will now focus on tabling guidelines for issues that have not been solved during the revision process.

Most of the existing PED guidelines will have to be revised due to the entry into force of the Classification, Labelling and Packaging (CLP) legislation in June 2015 on the one hand and the alignment with the NLF on the other hand. Orgalime is actively participating in the European Commission – member states group working on the guidelines to which we are providing our suggestions for updates.

## Construction Products Regulation (CPR)

After the publication of the first Orgalime interpretation guide ahead of the entry into force of the Regulation, Orgalime has been working on a number of points of interpretation for which we propose solutions. These will be included in the practical questions of the Orgalime CPR guide, which will be updated in 2015.

## Directive on Equipment used in Explosive Atmospheres (ATEX)

The ATEX Directive is now in a transition phase between the current Directive and the new one which will be applicable from 20 April 2016 on. As might be expected, the existing ATEX guidelines will be modified accordingly and will mirror the structure of the guide of interpretation on the Machinery Directive.

Orgalime is represented in the editorial group in charge of revising these guidelines which, it is expected, should be approved early in 2016.

# LEGAL AND TRADE

**OCTOBER 2014**

**ORGALIME AND OUR US COUNTERPART IN THE ELECTRICAL FIELD, THE NATIONAL ELECTRICAL MANUFACTURERS ASSOCIATION (NEMA) SIGNED A JOINT POSITION PAPER IN FAVOUR OF A STRONG TTIP**

## Transatlantic Trade and Investment Partnership negotiations (TTIP)

Orgalime is convinced that tackling regulatory divergences between the EU and the US over time will increase transatlantic trade flows and reduce costs for companies of all sizes.

During the latest rounds, the spotlight has been on the regulatory pillar of the future agreement, both in terms of horizontal disciplines as well as specifically on engineering sectors. This new focus on the engineering industry was no doubt brought about following Orgalime's issue of a detailed position paper which not only covered the broader horizontal issues but also listed a number of ideas on how to build bridges on specific areas such as machinery and electrical legislation to encourage a progressive move towards regulatory convergence between the EU and the US which will in the end be what creates a genuine transatlantic market. In the follow up to this, Orgalime organised a second mission to Washington in October 2014.

During this trip, Orgalime and our US counterpart in the electrical field, the National Electrical Manufacturers Association (NEMA) signed a joint position paper in favour of a strong TTIP. NEMA and Orgalime advocate the use of 'one standard, one test, accepted everywhere'. The joint paper also emphasises that when ISO and IEC develop standards for products serving the markets in both the EU and US, and



**Željko Pazin**



**Concha Picón Muñoz**



**Jackie André**



THE NEXT STEP IS  
**TO FORM AN ALLIANCE**  
 OF ALL SECTOR ASSOCIATIONS AND PRODUCT  
 GROUPS, BOTH EUROPEAN AND AMERICAN, WHO  
 SHARE THE SAME VISION.

neither unfairly favours or disadvantages either, they should remain the preferred standardisation platforms. Meanwhile other associations, which represents the main part of engineering products transatlantic trade, have co-signed the joint paper.

The US authorities have claimed so far that there is not much industrial interest in TTIP. Therefore, the European Commission's negotiators welcomed this joint statement between EU and US associations which will help them bring manufacturing into the negotiations' focus. The next step is to form an alliance of all sector associations and product groups, both European and American, who share the same vision.

Moreover, 4 Orgalime experts participated actively in the workshop of the US's Occupational Health and Safety Agency (OSHA) on Nationally Recognised Testing Laboratories (NRTLs). They suggested to the US industry representatives that they should call for the improvement of the certification system in the US. Industry wants a strong single certification mark recognised by all authorities and market users in the US, as well as obligatory recognition of test results among NRTLs. Following this, Orgalime issued a position paper on the ongoing review of the NRTL programme directive.

Finally, Orgalime also organised a debate with the European Manufacturing Forum in the European Parliament with Members of the European Parliament from a wide range of parties, together with the Head of Cabinet of Commissioner for

Trade Mrs. Malmström. The event was well attended and lively. It covered both the overall agenda as well as specific issues such as regulatory and investment barriers and investor-state dispute settlement (ISDS).

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

Talks on an EU-Japan agreement, which Orgalime is monitoring, are progressing. Areas such as trade in goods, services, investment, intellectual property rights, non-tariff measures and government procurement were already discussed. The negotiators were also addressing a number of EU concerns, including the non-tariff barriers and the further opening of the Japanese public procurement market.

The EU and Canada announced the conclusion of the negotiations. However, the published consolidated text of the EU-Canada Comprehensive Economic and Trade Agreement (CETA) will need to go through a ratification process to become binding. The rules of origin negotiated are in line with the requests Orgalime articulated to the European Commission (EC).

Currently an analysis is undertaken to measure the benefits that the EU-South Korea FTA brings to European electronics manufacturers. Orgalime is following the issue closely as we have seen a tendency for new barriers to trade being developed and have had to call on the EC during the past year to follow up the adoption of this FTA with proper monitoring.



We also support the EC with the ongoing negotiations talks with partners such as China (concerning EU-China Investment Agreement), India, and other key trading partners such as Ukraine, Vietnam, Egypt, Morocco and Tunisia.

At the end of the year, Orgalime joined over 80 industry associations from around the world call in our common call to all the parties negotiating expansion of the Information Technology Agreement (ITA) to seize the moment and finally conclude a strong tariff elimination agreement during the next round of talks.

### Conflict Minerals and Raw Materials

The European Commission (EC) published its proposal on creating a responsible trading strategy for minerals from conflict zones. The proposal comprises a draft Regulation on setting up a supply chain due diligence system for the importers of the covered raw materials as well as a Communication that lays down a number of accompanying measures. As this is an important issue for our industry, we issued a position on different aspects of these proposals.

The EC recognises that dealing with conflict minerals in the supply chain is a complex task that needs to be addressed from many different perspectives. It is essential that the EU initiative is part of a comprehensive framework, integrated with foreign policy action, which includes activities in the conflict regions themselves. In this respect, Orgalime believes the EU proposal should be more precise in spelling out tangible activities for conflict resolution. Emphasis should be put on promoting good governance and enhancing security in the conflict-affected and crisis regions.

Orgalime welcomes the EC's approach on setting up a Union system for supply chain due diligence based on the self-

certification of responsible importers. This systemic approach, based on the OECD Due Diligence Guidelines, is preferable over a product-based approach, as incurred by the US legislation on conflict minerals.

On the other hand, Orgalime is against an expansion of the foreseen scheme that would go beyond the current scope of minerals affected. It took time to develop the existing sourcing mechanisms for tantalum, tin, tungsten and gold (3TG) and the corresponding OECD due diligence supplements. It will take even more time to ensure these schemes become fully operational. Covering additional minerals would therefore, in our opinion, be counterproductive.

We have highlighted several issues to demonstrate that regulatory action on the topic of conflict minerals will entail serious difficulties in the implementation phase.

To have a substantial effect on the global level, it is necessary that the EU reaches out to other governments. The issue of conflict minerals is a global problem that requires active involvement along the entire supply chain and beyond the EU and the US. It is therefore highly important that discussions continue and actions are decided in international fora like the UN and the OECD.

### Common European Sales Law (CESL)

Orgalime which opposes the European Commission's (EC's) CESL proposal, has been monitoring this issue throughout the past year. We had previously argued that proposed optional CESL instrument would not bring the claimed benefits for business, and should not be applicable to B2B relations under any circumstances. Business does not need a new layer of European contract law and Orgalime believes that the best the EU could do is to not interfere at all in B2B contracts.

The EC has included the CESL proposal in the Annex II of the 2015 Work Programme that sets out the proposals to be withdrawn (or modified), but it awaits the views of the European Parliament and the Council before proceeding.

### Digital Single Market (DSM)

With progressing internet revolution, the creation of the Digital Single Market (DSM) is one of the top priorities for the European Commission (EC). The aim of DSM is to create an area with the free movement of goods, persons, services and capital where both consumers and business can enjoy cross-border access to digital services. A new digital strategy is being launched in 2015.

In this context, the EC adopted the Communication on the data-driven economy Orgalime issued a first paper on big data and is now working on deepening this (see the Industrial Policy chapter to find out more).

Orgalime lawyers from the membership are actively involved in the work on this issue and particularly on the impact of big data on data protection, ownership and security and legal issues such as liability.

### Data Protection

In March 2014, the European Parliament (EP) adopted the Data Protection package and gave its support to the principles of the European Commission's (EC's) proposal (the General Data Protection Regulation and the Data Protection Directive).

Orgalime agrees with the general direction taken by the EC in the reform, but we are against imposing disproportionate new obligations on companies. This would be a clear violation of

the 'think small first' - a principle that should be at the core of all new European regulation.

Since data protection is one of the top priorities of President Juncker, the EC would like the agreement between Council and EP to be concluded before the end of 2015. Orgalime however, advises against rushing into a consensus not preceded by a thorough discussion between the institutions, and with all potentially affected stakeholders.

### Trade Secrets

In May 2014, ministers at the Competitiveness Council agreed on a general approach relative to the European Commission's (EC's) proposal for a Directive of the protection of 'trade secrets'.

This is an important issue for Orgalime since the misappropriation and misuse of trade secrets represents a serious problem and threat for our industry. Trade secrets protection is generally weak in most EU countries: the conditions for and scope of its protection varies significantly from country to country depending on the existing statutory mechanisms and case law.

Therefore, Orgalime, in its position issued early in 2015, supported the initiative of the EC to ensure an efficient and practical protection of trade secrets. This is consistent with a thriving and innovative European market, which will now more than ever, shift towards a market of research, development and innovation.

Nevertheless, we are strongly concerned regarding some parts of the proposal, especially in relation to definitions which might lead to confusion or even lower the protection level that is currently provided by some member states.



# RESEARCH, DEVELOPMENT & INNOVATION



**Željko Pazin**



**Rozenn Maréchal**



**Jackie André**



## Horizon 2020

Now that Horizon 2020 has been adopted and is now at full speed, Orgalime is essentially monitoring progress on the programme.

The topics for 2016/2017 Horizon 2020 calls were jointly prepared by the European Commission (EC) and stakeholders, and the first grant agreements are now signed. The EC organised several Info Days around the call topics including the ones that are of interest to our industry. Around one thousand participants, including Orgalime representatives, attended the Public Private Partnerships (PPP) Info Day in October in Brussels.

President Juncker announced research areas of Horizon 2020 that will suffer €2.7 billion budget cut. This amount will now be transferred to a proposed stimulus plan - European Fund for Strategic Investment (EFSI). After issuing a position on the proposed Juncker plan at the end of 2014, as budget proposals became clearer, in a position issued at the beginning of 2015, we questioned the proposed choice of sourcing funding from areas which create investment, jobs and growth, while other budget lines are bigger, have less of a multiplier effect and are not future oriented.

In this context, we called on the European institutions to make sure that EFSI funding focuses on the modernisation and completion of sustainable investments that will underpin the competitiveness of companies, develop jobs and growth in the economy for the long term, whilst favouring the reindustrialisation of the EU. We insisted that the funding allocated to R&D should focus on R&D support for digitalisation of manufacturing plants and a modern energy and industrial internet systems.

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

We have also continued our support for our network's research association – EFFRA – which is partner of the European Commission (EC) for the execution of the Factories of the Future (FoF) PPP.

We have also monitored the programmes like the new PPP for Big Data or the Electronic Components and Systems Joint Technology Initiative (ECSEL JTI) which are very relevant to our industry.

## MAKE SURE THAT EFSI FUNDING FOCUSES ON THE MODERNISATION AND COMPLETION OF SUSTAINABLE INVESTMENTS

## FOCUS ON R&D SUPPORT FOR DIGITALISATION OF MANUFACTURING PLANTS AND A MODERN ENERGY AND INDUSTRIAL INTERNET SYSTEMS



### Smart Specialisation Strategy

Orgalime is closely following the Smart Specialisation concept as a key element for the European Structural and Investment Funds (ESIF) and innovation projects.

The Operational Programmes have been approved and many Orgalime subjects, including energy efficiency and advanced manufacturing, are planned in the regions.

We will continue to monitor further synergies between ESIF funds and Horizon 2020.

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

The Strategic Innovation Agenda (SIA) of EIT was published in December 2014. It states that the KIC for value added manufacturing is scheduled for 2016, which is a welcome decision of the EU Institutions from an Orgalime point of view.

Compared to the 2009 call, here there is a particular focus on a strong and diverse partnership in addition to the economic and social impact, the business model and financial plan and to demonstrating commitment. Orgalime continues to follow this topic.



# YOUR MANUFACTURING PIONEERS IN BRUSSELS





The Orgalime Secretariat numbers 28. This dedicated team of public affairs specialists are consistently trying to ensure that the European Commission & European Parliament only receives quality input on issues of direct interest to the engineering industry. Of course, we are not alone - an effective input from Orgalime can only be achieved with the committed support of specialists from its member federations and European product sector associations. We acknowledge the efforts of the pioneers of manufacturing in our 60th year!



# Communications

## Striking the right chord...



Mark Redgrove



Magdalena Wawrzonkowska

### MAKE THE STORY

THAT YOU WILL TELL  
RELEVANT TO THOSE  
THAT YOU ARE TELLING IT TO!

### CLEVER LANGUAGE

ISN'T CLEVER AT ALL UNLESS  
EVERYONE UNDERSTANDS WHAT  
YOU ARE TALKING ABOUT

#### The winds of change are about us.

A new European Parliament, a new European Commission President and college of Commissioners, a new President of the European Council – one could therefore expect a new way of thinking?

But to coin another phrase, we don't need to reinvent the wheel. It appears that the world of communication has hit its 'retro phase'! Simply to say that audiences can see through what was labelled as 'spin' treating it with disdain. All people want in this world is the truth with a plentiful sprinkling of honesty and a sprig of transparency to finish it off. Oh, and by the way, make the story that you will tell relevant to those that you are telling it to! This is what we all expect and naturally it is reasonable to assume that the stories we tell will be fashioned in a similar vein.

So we must strike the right chord. Needs vary and so must the messaging. Sophisticated language may read great and keep the CEO happy, or the technical team may love all the buzzwords and jargon. But clever language isn't clever at all unless everyone understands what you are talking about. Resist the temptation to impress the internal audience or to succumb to all their requests. Instead, concentrate on clearly explaining your ideas to others. And never forget that those you are targeting will have so many other ideas in their heads when a message comes into their world.

In short, keep it simple.



# Publications

## THE SUCCESS OF ORGALIME GENERAL CONDITIONS

AND MODEL FORMS PROVED YET AGAIN COMPANIES' TRUST AND RELIANCE ON ORGALIME LEGAL PUBLICATIONS.



Željko Pazin



Concha Picón Muñoz



Jackie André

The Orgalime Legal Affairs Working Group has since the 1950s been renowned for producing model contracts and guides on contractual issues. These publications serve as practical tools for industry when entering into different types of contracts, such as licence, distribution and agency contracts. General conditions and other forms of standard contracts simplify negotiations and rationalise the handling of contracts and contract relations. They play an essential part of most business transactions, especially for the supply of goods and services.

The enthusiasm of companies working in the industries that we represent for Orgalime's legal publications has kept up its growing trend in 2014. The 'legal publications and guides' page is the most visited section of the Orgalime website attracting many visitors interested in our catalogue of general conditions, model forms and guides and the language versions in which they are available (our bestseller the S 2012 is for example available in 16 languages).

2014 marked another successful year in the use of Orgalime general conditions as the updated general conditions S 2012 (General Conditions for the Supply of Mechanical, Electrical and Electronic Products) and SI 14 (General Conditions for the Supply and Installation of Mechanical, Electrical and Electronic

Products) proved to be another hit with the licences for the use of the general conditions in electronic format continuing to attract more companies within and beyond Europe.

### Recent releases

#### **S 2012 General Conditions for the Supply of Mechanical, Electrical and Electronic Products**

Through its Legal Affairs Working Group, Orgalime publishes standard contracts, guides, model forms and studies on contractual and legal matters of importance to engineering companies. S 2012 is one of the most important contractual documents published by us.

The Orgalime general supply conditions have already been in frequent use for many years worldwide. They are a modern successor and alternative to UN ECE 188 and have become a branch standard for the mechanical, electrical and electronic engineering industry in Europe. Against this background, Orgalime has published the S 2012 guide, a detailed commentary which offers interpretations and explanations of the provisions of the S 2012 conditions of interest to lawyers and non-lawyers alike.

### **SI 14 General Conditions for the Supply and Installation of Mechanical, Electrical and Electronic Products**

Published in the beginning of 2014, SI 14 general conditions adequately reply to our industry's needs. As the international sale of plant and their installation represent the core business of many companies in the mechanical and electrical engineering industries in Europe, Orgalime has recognised that these companies would benefit from a set of general conditions for the supply and installation of plant which could be used all over the world. The first version of the Orgalime supply and installation conditions was already published in 1994 (SE 94) and these conditions have ever since been among Orgalime's most widely-used legal publications.

Millions of hard copies have been sold through the years, whereas the electronic use (under an Orgalime licence) has increased to a very substantial level.

The Orgalime Legal Affairs Working Group (consisting of lawyers representing the national member associations of Orgalime) updates these conditions from time to time taking into account legal developments and their experience in dealing with contracts in the engineering industry. After a first review that resulted in the SE 01 (conditions in 2001), the working group adopted a new updated text, which resulted in the SI 14 conditions.

The Orgalime supply and installation conditions are to a great extent based on the Orgalime supply conditions, which were most recently revised in 2012 when the S 2012 conditions for supply were adopted and published. Therefore, the major changes in the Orgalime supply conditions are also reflected in the Orgalime supply and installation conditions.

#### **Supplementary conditions**

Following the update of the conditions for supply in 2012 (S 2012) and of the conditions for supply and installation (SI 14)

at the beginning of 2014, the supplementary conditions S 2000 S and SW 01 have been updated to be in line with the aforementioned conditions to become the S 2012 S and SW 14 respectively.

#### **- S 2012 S Supplementary Conditions for the Supervision of Installation of Mechanical, Electrical and Electronic Products**

The S 2012 S, delivered under Orgalime S 2012, are aimed at meeting a situation in between S 2012, which is limited to the supply of products, and SI 14, which includes both the supply and the provision of installation services for the products supplied.

#### **- SW 14 General Conditions for Computer Software**

The SW 14, supplement to Orgalime S 2012 and Orgalime SI 14 regulate the rights and obligations of parties to a contract in respect of computer software included in products delivered under Orgalime S 2012 or Orgalime SI 14.

### **A continuing success: the model Code of Conduct for associations**

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

These rules are used as Orgalime's Code of Conduct binding all members and other participants working on an

Orgalime platform. The Code of Conduct is also available to all European or national sector associations in the engineering industries who have not developed their own code of conduct so far.

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

### **Future releases**

Orgalime is planning to update of the maintenance conditions (M 2000), write new supplementary conditions to Orgalime S 2012 for minor installation work (MI 15) and update the Consortium Model Contract.

### **How to order Orgalime publications?**

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

### **Licensing**

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

# Orgalime Partnership

## bringing synergy to the sectors



Olivier Janin



Pierre Lucas



Stéphanie Uny



Anne-Claire Rasselet



Nicole Raven



Thijs de Wolff



Ioana Smarandache



Georgiana Huiban



Janet Almond



Alina Burlacu

As an integrated department of Orgalime, the Orgalime Partnership offers Orgalime's vast expertise directly to sector associations of the engineering industry. With a multidisciplinary team of advisers, it offers tailored services ranging from monitoring to advocacy, association management, communication and strategy.

The Orgalime Partnership was launched more than 15 years ago to meet the needs of various sector associations: a Brussels representation, tailored information, visibility, recognition and advocacy. Now with its team of 10 dedicated staff, it offers a range of services to 13 associations (both Orgalime members and non-members) and a full secretariat to another 10.

### Partnership services

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

- **The Orgalime Partnership bulletin** gives targeted information on EU laws, proposals, programmes and legislative developments
- **The monitoring service** includes an early warning system for developments on priority issues and support for the legislative process
- **Advocacy tools** cover communication, public relations and public affairs activities

# THE ORGALIME PARTNERSHIP

WAS LAUNCHED MORE THAN 15 YEARS AGO TO MEET THE NEEDS OF VARIOUS ENGINEERING SECTOR ASSOCIATIONS

- **Association management** or general secretariat services ensure professional and flexible support, tailored to needs and budget
- **Business intelligence** comprises research, market surveys and statistics on industries
- **Project management and support** on clearly defined activities such as working groups, platforms, industry initiatives, etc.

## Activities

Whereas the EU started a new cycle (new European Commission and new European Parliament), many sector associations undertook a strategic analysis to review their structure, vision and activities. Here are examples of some of the areas in which we have worked in 2014 and some of 2014's highlights for associations managed by the Orgalime Partnership:

### European Refrigeration, Air Conditioning and Heat Pump Contractors (AREA)

AREA published its Vision & Strategy 2020 to ensure its work reflects the evolution of the sector. Also, in order to introduce the new F-Gas Regulation to the industry, AREA published a comprehensive guide that explains its impact and practical application.



### The European Association for the Taps and Valves Industry (CEIR)

As a response to the regulatory framework, CEIR introduced a Water Label which is designed to improve the water consumption and performance of taps, valves and shower heads. It also established a working group dedicated to thermostatic radiator valves.

### The European Garden Machinery industry Federation (EGMF)

EGMF conducted a strategic exercise which resulted in organisational changes, a new visual identity and a 2020 Vision and Strategy document. In addition, EGMF developed and published a robotic mowers boundary wire guideline.

### The European Irrigation Association (EIA)

EIA introduced a new curriculum of Irrigation Education with 6 courses in Landscape and Agriculture. The association organised training events in Hanover, Bologna and Moscow which attracted over 100 participants and resulted in over 65 new certified Irrigation Professionals. In addition to a new website, logo and communication material, EIA membership grew by 30%.

### **The European Smart Metering Industry Group (ESMIG)**

ESMIG had a strategic rethinking session, which led to a decision to extend its scope to the smart energy ecosystem. Two national working groups were set up in Germany and the Netherlands to promote the roll-out of smart meters locally. A Consumer Energy Management group was also established to work on topics including consumer engagement and the Internet of Things.

### **The European Perforators Association (EUOPERF)**

EUOPERF hosted the triennial World Perforating Conference in Barcelona. Perforating companies from all over the world were present and gave impetus to new marketing initiatives outlining the benefits of applications of perforated metal at both European and global levels. The Marketing Committee is working on a new strategy to raise the profile of the industry and increase its network.

### **The European Association of Pump Manufacturers (EUROPUMP)**

For EUROPUMP, 2014 was marked by lively technical discussions on assessing the energy efficiency of pumps. The stakes were high, especially in its dialogue with its American sister organisation the Hydraulic Institute, which ultimately contributed to strengthening their relations. EUROPUMP also cooperated successfully with Orgalime, T&D Europe and ESMIG during a high-level side-event at the EU Sustainable Energy Week.

### **The European Materials Handling Federation (FEM)**

FEM published its Vision & Strategy 2020. The paper lists 7 key areas (safety, technology, intellectual property, global market access, people, energy, environment & resources) for maintaining the competitiveness of the industry. Moreover, FEM participated in the launch of a World Materials Handling Alliance, together with its Chinese, Japanese and American sister associations.

### **The voice of efficient building engineering services (GCP Europe - ex GCI-UICP)**

At its annual Congress in September, GCP Europe adopted a new name and the strapline 'the voice of the efficient building engineering services'. It also approved a new logo, website, board and secretary general. The ambition is to set out the role and opportunities of installers in reducing consumers' energy bills and in maintaining the whole range of energy efficient technical building systems.

### **CECAPI Market Surveillance Support Initiative (MSSI)**

The Orgalime Partnership supports Cecapi's MSSI in organising and coordinating its meetings and in identifying and contacting relevant stakeholders. In addition, legal advice on market surveillance in the context of electrical installation equipment and systems was provided to fine-tune the actions of the MSSI.

### **The European association of manufacturers of compressors, vacuum pumps, pneumatic tools and allied equipment (PNEUROPE)**

PNEUROPE focused on policy and regulatory issues of interest, such as the Machinery Directive, the Outdoor Noise Directive, the Pressure Equipment Directive and others. Discussions in the last Council Meeting in November have led to organising a session in 2015 for redefining PNEUROPE's vision.

### **The European Association of the Electricity Transmission and Distribution Equipment and Services Industry (T&D Europe)**

Based on its growing presence in Brussels and strong links with key European stakeholders, T&D Europe has adopted a set of guiding principles. It also reorganised its working structure around four strategy areas (Energy Policy, Innovation, Industrial Policy and Communications and Lobbying Strategy), each under the leadership of a Vice President and supported by dedicated working groups and task forces gathering industry experts.

### **Organisations serviced**

AREA - Air conditioning and refrigeration contractors  
CECAPI - Low voltage equipment  
CEIR - Taps and valves  
CEMEP - Electrical machines and power electronics  
CEO - Hand tools and anchor fixings  
EFCEM - Catering equipment  
EGMF - Garden and turf equipment  
EIA - Products, practices and services used to manage water resources  
EIFI - Fasteners  
EPTA - Power tools  
ESMIG - Smart metering  
ESTAL - Surface treatment on aluminium  
EUMABOIS - Woodworking machinery  
EURALARM - Fire & security systems  
EUROPACABLE - Wire and cable  
EUOPERF - Perforators  
EUROPUMP - Pumps  
EUROVENT - Refrigeration, air conditioning, air handling, heating and ventilation  
FEM - Material handling & storage  
FEM IS - Material handling & storage - intralogistic systems  
GCP Europe - Heating, ventilation, air conditioning and plumbing contractors  
PNEUROPE - Compressors, vacuum pumps, pneumatic tools and air & condensation treatment equipment  
T&D Europe - Electricity transmission & distribution

# Members

## AUSTRIA



FEEL



FMMI

## BELGIUM



AGORIA

## BULGARIA



BASSEL

## CROATIA



HRANSKA GOSPODARSKA  
KOMORA - HRTIHOVA SUKOBICA

CEA



HGK

## DENMARK



Confederation of Danish Industry

DI

## FINLAND



The Federation of Finnish  
Technology Industries

## FRANCE



FIEEC



FIM

## GERMANY



VDMA



WSM



ZVEI

## HUNGARY



MAGEOSZ

## IRELAND



IEEF

## ITALY



ANIE



ANIMA

## LATVIA



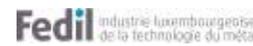
Association of Mechanical Engineering and  
Metalworking Industries of Latvia

## LITHUANIA



LINPRA

## LUXEMBOURG



ILTM

## THE NETHERLANDS



FME-CWM



METAALUNIE

## NORWAY



Norsk Industri

## POLAND



Polish Economic Chamber of  
Electrotechnics

## PORTUGAL



AIMMAP



ANEME

## SLOVENIA



GZS-MPIA

## SPAIN



CONFEMETAL



SERCOBE

## SWEDEN



TEKNIKFÖRETAGEN

## SWITZERLAND



SWISSMEM

## UNITED KINGDOM



BEAMA



EAMA



GAMBICA



AFECOR



CEIR



EFCEM



EGMF



EURALARM



EUROPUMP



PNEUROP

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