

Mr. L.J. Brinkhorst, Ministerie van Economische Zaken, Postbus 2010, NL – 2500 EC DEN HAAG

Brussels, 7 July 2004

## Competitiveness of EU industry / Revision of the Machinery directive

Dear Mr. Brinkhorst,

On 23 March 2004, Orgalime wrote to you in view of the forthcoming Dutch Presidency of the Council. With a view to initiating a dialogue with your services on a number of issues which we believe have an essential impact on the competitiveness of the engineering industry in Europe. Following our initial correspondence, we have arranged a meeting with Secretary of State Mrs. K. van Gennip whom we expect to meet on 30 August and hope to have the pleasure of meeting you during the R&D conference in Noordwijk on 12-13 October.

We have recently been informed of the joint requests of the Dutch and recent Irish Presidency following the 17-18 May Competitiveness Council to consider priority areas for simplification. While there are number of issues which we would like to discuss with the Dutch presidency, we wish to highlight an issue where we believe the criteria of simplification is both necessary and easy to apply: the ongoing revision of the Machinery Directive (Commission Proposal COM (2000) 899 final). We are very much against this revision. We believe that, rather than simplifying the existing directive or providing greater legal certainty, the new proposal would impose a number of more complex and burdensome obligations on manufacturers, including unnecessary administrative burdens. The simplest solution, which we would welcome, would be the status quo.

We have calculated that the additional administrative burden that would be placed on engineers in mechanical engineering companies would require some 2.45 million man/days of additional work, e ssentially for bureaucratic reasons. Besides the cost which we e stimate at 8 00.000.000 euros, our companies can ill afford to use the limited number of engineers which they have for purposes such as this, when they should be concentrating on improving their products and developing innovative products.

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We would therefore very much welcome that this issue should be considered by the Dutch Presidency as a priority area for simplification to be addressed in the forthcoming Competitiveness Council in September.

Orgalime represents the mechanical, electrical, electronic and metalworking industries in 23 European countries. We speak for 34 trade federations representing over 130.000 companies. These companies, the vast majority of which are SMEs, employ 7 million people and, in 2003, accounted for some 1175 billion euro of output, that is a quarter of the output and a third of the exports of manufactured products of the EU. Our members in The Netherlands are FME-CWM and Metaalunie.

We very much count upon your support during the Dutch Presidency, which we hope will pursue the drive to place competitiveness at the centre of the EU's agenda. This would be a fitting follow-up to the actions undertaken by the Irish Presidency which we very much welcome.

We wish you the best of success for the Dutch Presidency and look forward to a close cooperation with your services.

Yours faithfully,

Martine Clément President