



POSITION PAPER

Brussels, 27 June 2025

Objectives, Funding Priorities, Operating Principles:

7 Point-Plan

to Make the European Competitiveness Fund (ECF) a Success in Practice

Executive Summary

Europe struggles to convert excellent research into market-ready products. More often than not, the translation of conceptual ideas into innovative products and their deployment happens outside Europe. The European Competitiveness Fund (ECF) must address this gap as a matter of priority. To ensure the ECF's success in practice, Orgalim believes that:

1. The ECF's primary objective must be to enable successful conversion journeys from research to industrial deployment
2. The ECF's strategic focus should be on providing long-term funding for essential enabling technologies & value chains
3. Advanced Manufacturing must become a central funding priority of the ECF
4. Provision of strong, long-term R&I support should come with funding tools tailored to Technology Readiness Levels (TRLs)
5. The Fund must respect two fundamental operating principles: technology neutrality & excellence
6. The Fund must radically simplify & speed up access to EU financing
7. Industry participation in the Fund's governance is key to respond to market needs & attract private investment

1. Turning ideas into innovation: the Fund's primary objective must be to enable successful conversion journeys from research to industrial deployment

Europe is struggling to convert excellent research into marketable products. More often than not, translating conceptual ideas into innovative products happens outside Europe. The Competitiveness Fund must address this gap as a matter of priority. There are two important ways how the Fund can support the entire investment journey from research to demonstration and industrial deployment, for instance:

- via the creation of pilot lines (as in the European Chips Act) that are accessible by academia, research institutes and industry at large.
- by building strong links between enabling industries (e.g. semiconductors) and applying industries (e.g. automotive or aerospace).

2. The Fund's strategic focus should be on providing long-term funding to essential enabling technologies & value chains

In terms of the Fund's strategic focus, the selection should be guided by the potential contribution to Europe's long-term strategic objectives, rather than short-term difficulties alone. There must be sufficient room and flexibility for bottom-up elements. Any politically "top-down" identified lists of "strategic" technologies risk overlooking essential enabling technologies and value chains, such as robotics, automation and other advanced manufacturing technologies and components critical for unlocking new competitiveness opportunities for all industrial sectors.

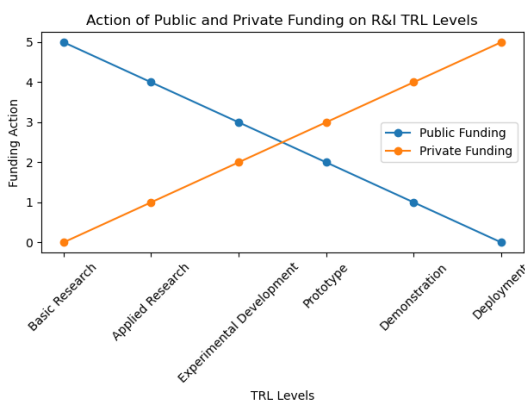
3. Advanced Manufacturing (AM) must become a central funding priority of the ECF

Advanced Manufacturing is essential for achieving Europe's long-term strategic objectives and strengthening Europe's industrial base, resilience, and overall competitiveness¹. For example, advanced manufacturing is a crucial building block for achieving leadership in technologies such as semiconductors and quantum, as it enables competitive industrialisation in Europe.

Manufacturing sectors in countries like China and the United States often outperform their European counterparts in productivity, in part because they have adopted advanced European technologies more extensively on their shopfloors. These productivity differences are largely attributable to the speed and scale of advanced manufacturing adoption. The problem is aggravated by the fact that, today, advanced manufacturing faces difficulties in Europe in attracting sufficient funds to support successful conversion journeys from research and scale-up to industrial deployment. Europe must act swiftly to foster development and widespread deployment of such technologies, driving the comprehensive modernisation of its legacy industrial base.

As such, Advanced Manufacturing should become a central funding priority of the Competitiveness Fund. Strong and long-term support for RDI as well as targeted ECF financing will be needed to accelerate the uptake of existing advanced manufacturing technologies.

4. Provision of strong, long-term R&I support should come with adapted funding tools tailored to Technology Readiness Levels (TRLs)



The provision of strong, long-term R&I support plays a critical role in enabling successful conversion journeys from research to industrial deployment. As part of this process, funding tools should be tailored according to the respective Technology Readiness Levels (TRLs). For instance, grants may be more suitable for early stages of research, whereas EIB guarantees may be preferable for innovation deployment, which is why the European Competitiveness Fund must be designed to leverage private capital as well.

¹ [Advanced Manufacturing at the heart of a resilient, sustainable and competitive Europe](#). Recommendations by the EU Industrial Forum, 13/06/2023

5. The Fund must respect two fundamental operating principles: technology neutrality & excellence

Public financial support must only be granted based upon excellence and following competitive selection processes (as is the case with the EU's Innovation Fund). Rather than awarding support to a single company or a single technology priority should be given to company-driven technology projects within ecosystems, clusters, value chains and infrastructure. The fund must provide a viable alternative to state aid state fragmentation, ensuring a level playing field for all European companies.

6. Easier & faster funding: The Fund must radically simplify & speed up access to EU financing

Accessing EU funds is challenging for companies to due to the inherently complex and burdensome application procedures. When seeking funding from the EU Innovation Fund, European companies must submit a 300-page document, which typically takes a full year of preparation. In contrast, a US based company needs to provide a 30-page project document when applying for benefits from the Inflation Reduction Act (IRA). In addition, it can take more than two years from the first submission of documents to the final grant notification.

To be more accessible and effective, the application, approval, and review of projects must be carried out faster. The processes should be flexible to take changing conditions into account and should be aligned more with overarching European objectives and with less focus on detailed rules. This would also require heavier penalties for those who misuse funds to ensure trust and efficiency. Streamlining EU funds application processes and ensuring transparency will contribute to increased participation and effective use of available funds.

7. Industry participation in the Fund's governance is key to respond to market needs & attract private investment

Innovation projects must respond to industry and market needs in order to attract more private capital investment towards instruments and priorities of the EU. Funding decisions must be led by technological opportunities, societal and scientific goals, and based on excellence. Therefore, the future Competitiveness Fund must have a robust governance framework for industrial participation to accurately address the needs of the industry in terms of global competitiveness and innovation.

About Orgalim

Orgalim represents Europe's technology industries, the European Union's largest manufacturing sector – comprised of 770,000 companies that generate a combined annual turnover of €2,835 billion, manufacture one third of all European exports and provide 11.7 million direct jobs. Our industries are global leaders in the carbon-neutral energy, electrification, alternative fuels and clean manufacturing technologies needed to achieve net-zero, and we are committed to playing our part to deliver the net-zero transformation and the green transition.

Links to Orgalim publications

Orgalim Policy Agenda and key recommendations for the upcoming EU legislative period 2024-2029

- [Orgalim Policy Agenda for a European high-tech manufacturing base](#)
- [Orgalim key recommendations on investments](#)
- [Orgalim response to the public consultation on the EU long-term budget \(MFF\) – EU Funding for Competitiveness](#)

Orgalim represents Europe's technology industries, comprised of 770,000 innovative companies spanning the mechanical engineering, electrical engineering, electronics, ICT and metal technology branches. Together they represent the EU's largest manufacturing sector, generating annual turnover of €2,755 billion, manufacturing one-third of all European exports and providing 11.6 million direct jobs. Orgalim is registered under the European Union Transparency Register – ID number: 20210641335-88.



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