



European Committee of Manufacturers of Electrical  
Machines and Power Electronics



# 02<sup>nd</sup> CEMEP CONFERENCE

/ 7<sup>th</sup> and 8<sup>th</sup> July 2022 in Milan, Italy

**CEMEP sustainable products, systems & services**

# **Europe's competitive edge**

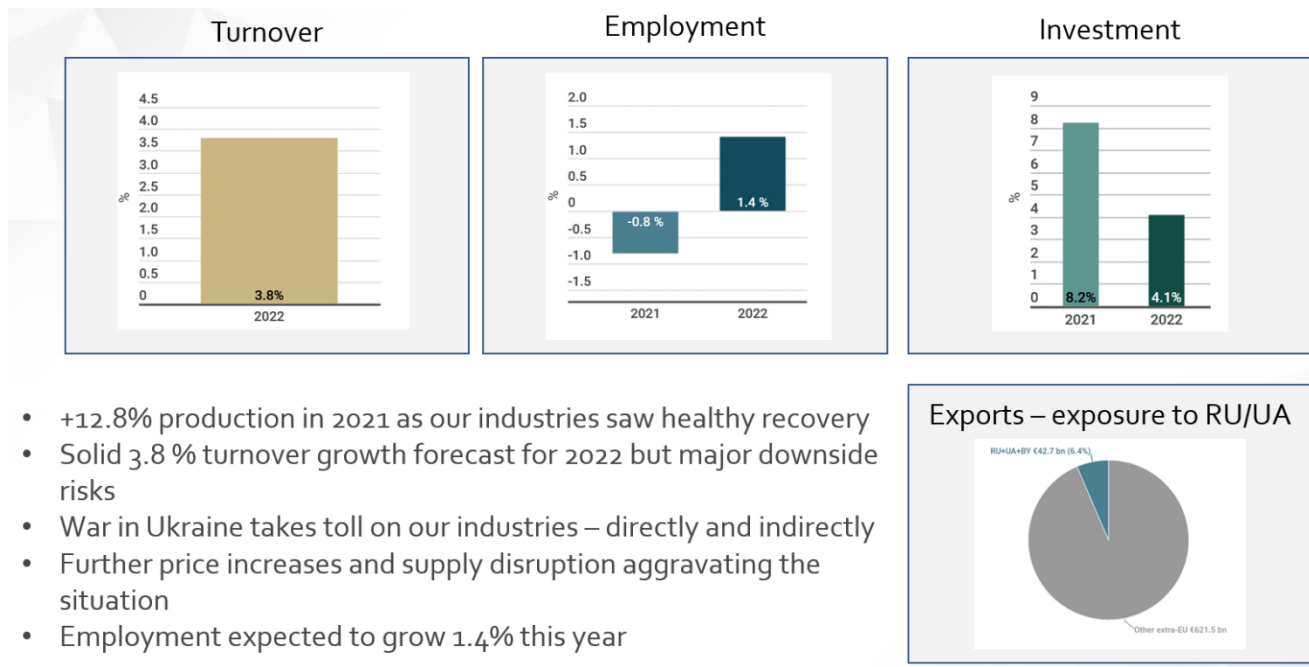
## **Sustainable manufacturing at the heart of the EU industrial strategy**

Malte Lohan, Orgalim Director General

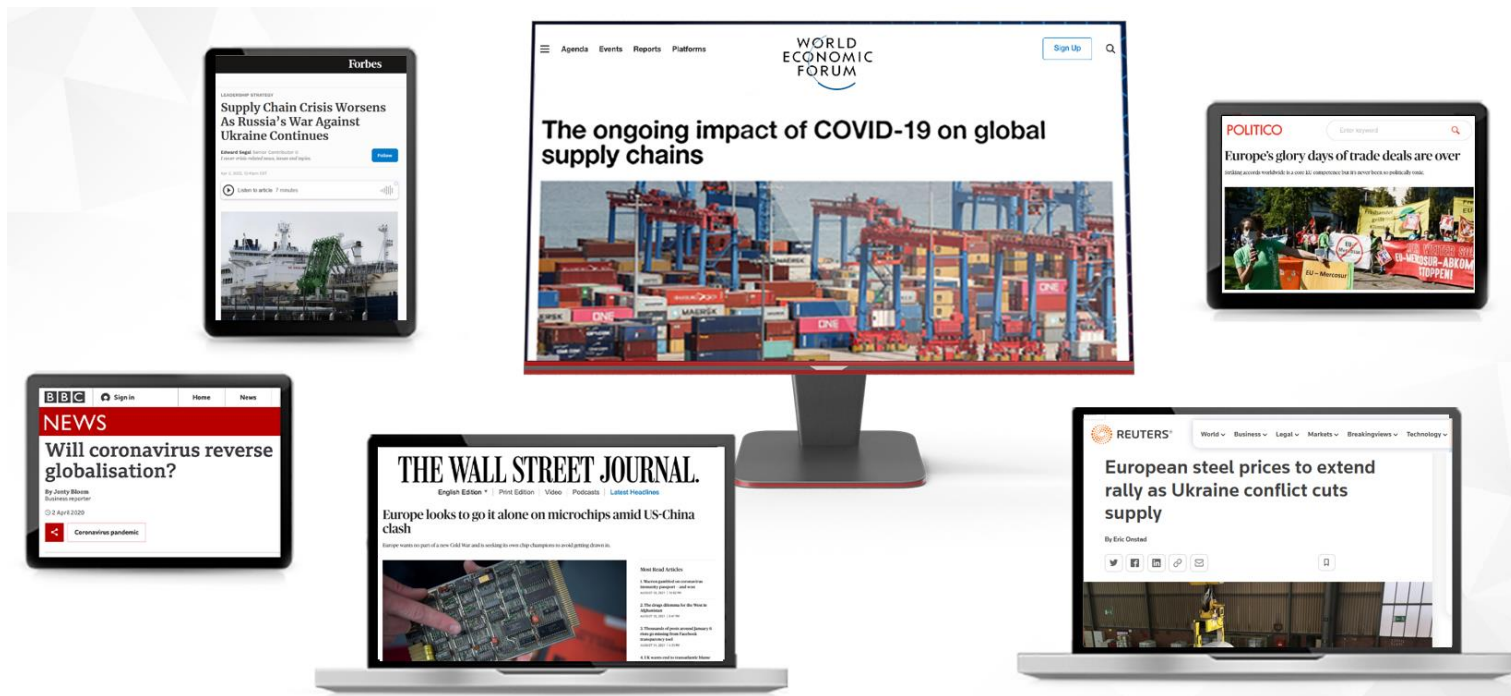
# Manufacturing at the heart of Europe's transformation



## Economic outlook: strong recovery in 2021 but slowdown expected



# A new era of “de-globalisation”?

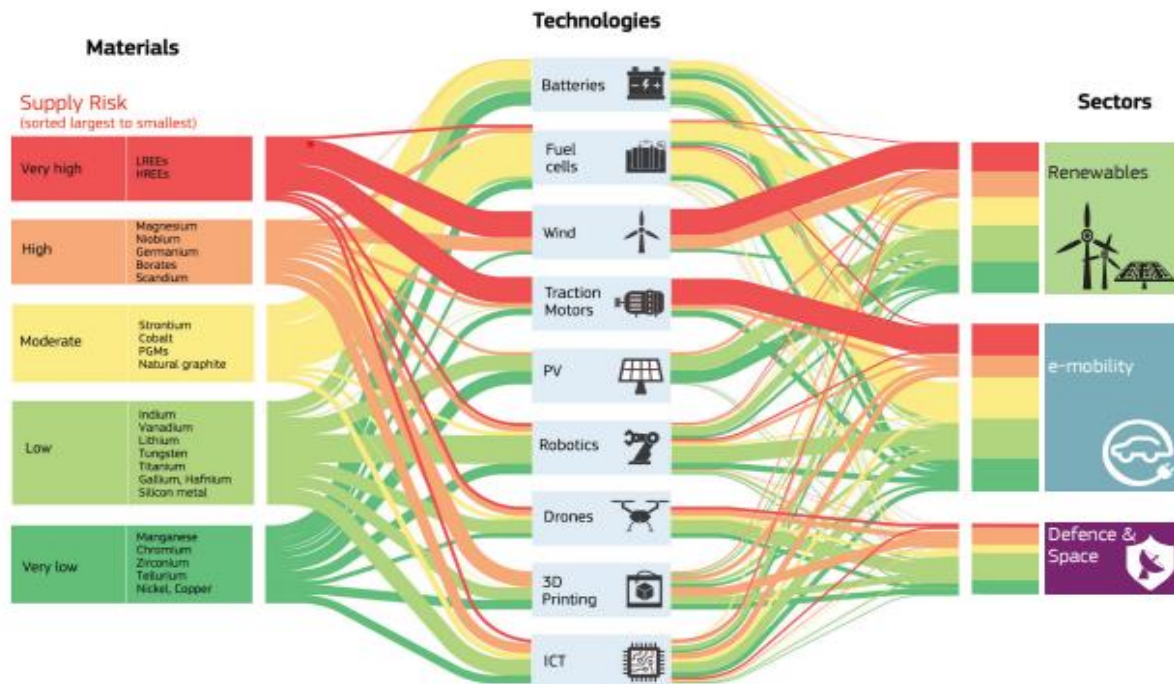




# The EU focus: "Strategic Autonomy"

## EU mapping of "strategic dependencies"

1. "Dependency": high concentration of imports and limited production in the EU
2. Bottom-up screening found 137 products in sensitive sectors (6% of EU total import value of goods) for which the EU is highly dependent
3. Origin of dependencies: More than 50% originate in China



# RePower EU: accelerating clean energy

## Bottlenecks:

- Supply chain disruptions
- Limited capacity to invest
- Low or deteriorating market share

## EXPANDING EU'S CLEAN ENERGY TECHNOLOGY MANUFACTURING CAPACITY

The industrial sector will also play a key role in scaling up the production of equipment and components necessary to quickly transform our energy system.



### SOLAR PANELS

Produce at least **20 GW of solar photovoltaics production capacity** by 2025



### WIND ENERGY CAPACITY

Ensure equipment to allow an **acceleration** in wind capacity deployment



### HEAT PUMPS

Secure capacity to **double** heat pump installation this year and reach **10 million units** until 2025

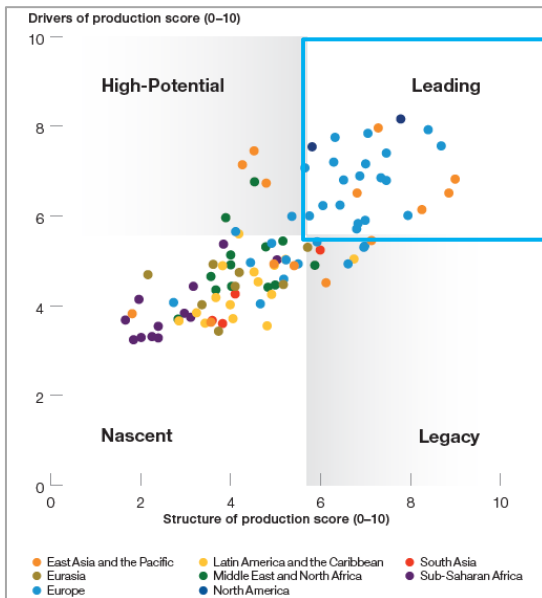


### HYDROGEN ELECTROLYSERS

Increase annual electrolyser manufacturing capacity **tenfold**

# Advanced manufacturing is our strategic differentiator

## Global “Future of Production” Readiness



## 18 of top 25 countries are in Europe

Region	Country	Structure of Production		Drivers of Production	
		Score	Rank	Score	Rank
Leading Countries					
●	Austria	7.46	9	6.79	18
●	Belgium	6.51	24	6.80	17
●	Canada	5.81	33	7.54	7
●	China	8.25	5	6.14	25
●	Czech Republic	7.94	6	6.01	26
●	Denmark	6.29	27	7.20	10
●	Estonia	5.75	34	6.00	27
●	Finland	7.00	14	7.16	11
●	France	6.87	18	6.89	14
●	Germany	8.68	3	7.56	6
●	Ireland	7.34	10	6.85	15
●	Israel	6.43	25	6.24	23
●	Italy	6.99	15	5.90	30
●	Japan	8.99	1	6.82	16
●	Korea, Rep.	8.85	2	6.51	21
●	Malaysia	6.81	20	6.51	22
●	Netherlands	6.32	26	7.75	5
●	Poland	6.83	19	5.83	31
●	Singapore	7.28	11	7.96	2
●	Slovenia	6.80	21	5.71	32
●	Spain	6.05	29	6.23	24
●	Sweden	7.46	8	7.40	9
●	Switzerland	8.39	4	7.92	3
●	United Kingdom	7.05	13	7.84	4
●	United States	7.78	7	8.16	1



# Advanced Manufacturing & the industrial “ecosystems”



- KPIs and tracking of progress
- Development of “transition pathways” (green & digital)
- Analysis of strategic dependencies
- Identification of investment needs
- Uptake of advanced manufacturing

## In the meantime... the regulatory tsunami continues

Q1 2022	Q2 2022	Q3 2022	Q4 2022
Standardisation strategy (including amendment to Reg. 1025)	Consultation on legislative proposal on Ecodesign for Sustainable Products Regulation (ESPR)	Proposal for revision of the Product Liability Directive + new AI Liability Directive	Legislative proposal to review REACH Regulation
Legislative proposal on Ecodesign for Sustainable Products Regulation (ESPR)	Proposal for a Regulation on substantiating environmental claims using the Product/Organisation Environmental Footprint (PEF/OEF) methods (green claims)	Legislative proposal on the right to repair	Legislative proposal to review the RoHS Directive
Legislative proposal to review Construction Products Regulation	Commission consultations on the upcoming revisions of RoHS Directive & REACH regulations	Facilitating small and medium sized enterprises' access to capital	Measures to reduce the release of microplastics in the environment
Data Act	Public consultation on a proposal to review the Waste Framework Directive	European Cyber Resilience Act	Review of the CO2 emissions standards for heavy-duty vehicles
Public consultation on the revision of the Waste Framework Directive	Proposal for a revised vertical + horizontal block exemption Regulations	Publication by ECHA of the dossier on the restriction of PFAS	Legislative proposal on restricting the addition of microplastics to products
Sustainable Corporate Governance	Amendment of the blocking statute Regulation Legislative proposal to review the Industrial Emission Directive (IED)	EU Innovation Agenda	Evaluation of Standardisation Regulation 1025/2012
EU Taxonomy Regulation: complementary climate delegated act on nuclear and gas	EU Taxonomy Regulation: 2nd delegated act for environmentally sustainable activities	Single Market Emergency Instrument	EU Taxonomy regulation: potential new delegated act on enabling activities
European chips act	New joint Communication on a partnership with the Gulf	Delegated Act for Outdoor Noise Directive	End of trilogue negotiations on the Batteries Regulation proposal?
Delegated Act for RED on Cybersecurity of Interconnected Devices	REPowerEU Strategy	EP report "Implementation of the Updated New Industrial Strategy for Europe: aligning spending to policy"	Consultation on new ESPR Working Plan
		Digitalisation of energy sector action plan	EU taxonomy regulation: delegated act for environmental objectives

## Watchouts



**“Europe first”**



**Short-termism**



**Regulatory burden**

## Looking Forward

A new paradigm for  
**EU industrial policy**

- **More government** in “strategic” sectors
- **More EU** (and national) regulation
- **More regional supply chains** in search for resilience
- **Extended period of uncertainty:** inflation, energy...

Manufacturing at the  
core of the ***Green &  
Digital transformation***

- **Growth opportunity** inherent in EU goals
- **Strong strategic anchor** for our political objectives
- We are **organised and mobilised**
- But: **structural disadvantage** vs other industries

**We need to invest at all levels to remain “fit for the new era”**

**Thanks for the attention!**

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