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Our ticket to 2020 >>

Commission Vice President Verheugen launches competitiveness report of Electra policy group

The 2020 targets are set, but how to get there? EU governments will need all the help of the electrical manufacturing and electronics industry to reach the 2020 goals that they committed to: less CO₂ emissions and more energy efficiency and more renewables. The burning question; can we turn this potential burden on the economy into a win-win situation? “We can do it”, concludes the *Electra policy group* (Industry, EU-Commission, unions) in its report issued today, after a year of intense work in a group co-chaired by Commission Vice President Verheugen and Orgalime Past President Krubasik.

Commented Orgalime President Robert Mahler “*The Innovative products and services provided by the electrical and electronics industry are those which can lead to the major energy savings that Europe wants to reach by 2020. Most of what we propose provides a positive return for our customers, whether private, public or professional. As evidenced in our report, our focus on the demand side must be first on buildings, both residential and commercial, and then on transport and on industrial production. On the supply side, we focus on improving the energy efficiency of electrical production, transmission and distribution and, for the longer term, on renewables. However, to achieve this, while at the same time creating growth and jobs in the EU – one of our essential aims - requires that politicians both EU and national create the right conditions for the Electra industry and its customers in particular.*”

Orgalime believes that the approach to date of the institutions focusing to a large extent on regulating the energy consumption of equipment and products, as well as on emission trading, will not in itself yield the expected results, if these are not accompanied by positive measures encouraging investment in energy efficiency. On the contrary the Emission Trading Scheme and the uncertainty on how it will impact sectors subject to it and how the EU intends to ensure that its major trading parties adopt similar policies are creating a climate of uncertainty which is restricting investment in the EU.

The European electrical manufacturing and electronics industry, the largest sector represented by Orgalime is strong: it accounts for 21% of worldwide production value, with China counting for 30%, the USA and Japan for 19 % each. The report concludes that in order for the industry to remain at the forefront of technology and competitiveness in a fast changing global environment, the industry itself, national governments and EU-institutions should now put the focus on the following:

- **Regulation:** Set harmonised energy efficiency targets for products and systems, while at the same providing incentives for consumers to invest in the most energy efficient products.
- **Enforcement:** Improve market surveillance; bring quick solutions to problems with trading partners.
- **Investment:** Public authorities should invest in energy efficient infrastructures and facilitate the development of European high tech infrastructures. Fiscal and financial policies should be designed to attract investment and complemented by facilitating private investment, including through Public Private Partnerships (PPP).
- **Awareness:** Energy efficient products need to be bought by consumers that are aware of the role they play. Education programmes need to be adjusted, so as to answer the increasing demand for employees in the area of energy technologies, whether for manufacturing or installing.

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Notes for Editors:

Electra is an industrial policy group, consisting of experts of the electrical and electronics industry, the European Commission, standardisation organization CENELEC and the European Metalworkers' Federation, created to assess the strengths and weaknesses of the Electra-sector. The Electra group has been co-chaired by Vice President of the European Commission Günter Verheugen and former Orgalime President Prof. Edward G. Krubasik.

Orgalime, the European Engineering Industries Association, speaks for 35 trade federations representing some 130,000 companies in the mechanical, electrical, electronic, metalworking & metal articles industries of 23 European countries. The industry employs some 10.9 million people in the EU and in 2007 accounted for some €1,813 billion of annual output. The industry not only represents more than one quarter of the output of manufactured products but also a third of the manufactured exports of the European Union.

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