



## ‘THE FUTURE OF THE MACHINERY DIRECTIVE’

*08h00 - 09h30 Breakfast Briefing - Members’ Salon  
Thursday 5 December 2019*

**European Parliament**



Maria GRAPINI MEP, Vice Chair Internal Market Committee

Maria Grapini welcomed her colleague MEPs, the European Commission, members of Permanent Representations to the EU and manufacturers to the European Forum for Manufacturing Breakfast Briefing supported by CECIMO. As a Vice Chair of the Internal Market & Consumer Affairs Committee she praised the EFM for its activities and introduced the focus of the session: the Machinery Directive.



Barbara BONVISSUTO, EUROPEAN COMMISSION, DG  
GROW, Head of Unit, Advanced Engineering & Manufacturing Systems,

The Commission will come up with a renewed industrial policy. Focus will be on the challenges and opportunities offered by the transition to a climate-neutral and technologically sovereign industry, including in the digital area. The single market will be at the core of this strategy.

The EU needs to grasp the opportunities offered by digitization and in that respect, a legal framework conducive to innovation is instrumental. A clear and predictable legal framework is of paramount importance to ensure a level playing field for European businesses in a more and more digitalized market.



The work on the revision of the Machinery Directive - the key legislation for machine tools industry – is advancing:

- We are analysing the results of the open public consultation and completing them with targeted consultations and interviews. The study carried out by our consultant will be published in the first quarter of next year. On that basis and subject to political validation by the new Commission, a proposal could be expected towards the end of 2020/beginning of 2021.
- We are extensively consulting with stakeholders and the Member States.
- The intention is to keep the structure of new approach legislation, change the Directive into a Regulation and align it to the New Legislative Framework. Certain provisions (scope and definitions) would need to be improved as indicated by the evaluation and the outcomes of stakeholders' consultations. Allowing digital format for documentation accompanying the products and simplifying the administrative requirements for manufacturers would also be areas to look at.
- When it comes to adapting the Directive to digitization, some stakeholders (consumers and workers' associations) and Member States are advocating for greater legal clarity in the essential requirements relevant for digital technologies such as AI. At the same time, we would need to take a careful and proportionate approach, so as to ensure continuous innovation.

International dimension:

- Machine tools and additive manufacturing industry have a competitive edge nowadays on the global market. However, this could change quickly due the geopolitical and economical challenges indicated in Commission paper on Industry 2030, such as economic power shifts on the global market.
- We are leveraging close relationships with likeminded partners such as Japan and possibly with the US in the future, for regulatory and standardization cooperation for robotics and additive manufacturing. We are in close contact with CECIMO on these strands of work.

Massimo Carboniero, UCIMU, President & Chair of the CECIMO Technical Committee

I am Chairman of CECIMO Technical Committee and President of UCIMU-SISTEMI PER PRODURRE, the Italian Association of machine tools, robots and ancillary products. I am also the CEO of OMERA, a press and forming machine manufacturing company, founded by my father in 1951, which produces and sells its machines in many European countries and worldwide.

CECIMO is the European association representing the interests of the machine tool industries and the related manufacturing technologies sector at EU level. We represent approximately 1,500 companies – the majority





of which are small and medium sized enterprises. We cover around 98% of total machine tools production in Europe and more than a third worldwide.

Today we are discussing about Machinery Directive, an essential piece of legislation.

Considering the experience of my company, the Directive has been really positive and successful in ensuring safety in the European machinery market. The Directive has also been successful in coping with the technological developments.

This is allowed by the new approach principles followed when creating the Directive.

These principles establish that the Directive defines mandatory essential health and safety requirements. This leaves the definition of technical details to meet those requirements to harmonised standards to be developed by stakeholders in line with technological developments and the state-of-the-art.

This mechanism has provided enough flexibility to ensure meeting policy objectives. And, at the same time, it ensures the right conditions for European industry to grow and create new jobs. Furthermore, most of the standards have been developed at common European and international level, making Europe a main actor in safety and technological development, allowing our companies to keep their competitive advantage at global level.

The European Commission is currently analysing the need to review the Directive to consider new technological developments, to clarify some of its provisions and adapt it to the new legislative framework.

Let me give you some thoughts about this, based on what I have just mentioned:

1. The Machinery Directive is a very important and successful instrument for European industry, and it must be left unchanged in its basics.

Adapting to different and new rules always entails a learning curve, a very high cost for people training and for product upgrade. Machinery companies are already facing a market slowdown worldwide. (The total orders in the countries represented by CECIMO dropped 23% in the second quarter of 2019 compared with the previous year, and, forecasts suggest that the order intake will continue to decrease). This could significantly affect our sector, considering the fundamental changes in product paradigm that is happening in some of our basic customer sectors (such as the automotive sector). A substantial modification of the Directive scope and essential safety requirements would be very negative or even lethal for the machinery sector, which is already facing fierce competition by the worldwide manufacturers. This would also have negative consequences for the European economy.

2. Massive changes of the Machinery Directive would also have a deep impact on standards.

The development of a new set of standards, aligned to new requirements could take from three to five years, most likely even more time. So long as standards are not updated, companies and end-users will not benefit from their support in ensuring the conformity of products, leaving machinery market in a "grey area".



3. Although Artificial Intelligence (AI) is not new and it has evolved considerably in the last decades, the development of relevant applications in the machine tool and manufacturing technologies sector is limited and still at an early development stage.

Some companies in the machinery sector have started to explore the possibilities of such technologies, in order to develop applications used for process optimization, predictive maintenance and condition monitoring. For these reasons, I do believe that the discussion around AI and related technologies has to be based on facts and what is actually technologically possible.

4. Finally, increasing digitisation of industry means that cybersecurity is becoming a major issue. Nevertheless, we should also take into account that cybersecurity is an issue involving several actors and it does not only depend on machine builders.

It depends on a wide range of actors including suppliers, users and infrastructure/software providers. The scope of the Machinery Directive is limited to establish essential requirements for manufacturers, placing machinery for the first time in the EU market. The inclusion of cybersecurity requirements in a revised Directive would therefore not lead to an effective approach to cybersecurity and may instead open the way to a situation where different sectorial pieces of legislation include different and inconsistent requirements on cybersecurity.

As mentioned, our sector has a really positive experience with the Directive. This is an important piece of legislation and any changes will definitely affect the competitiveness of our sector. This is why I would like to ask you to keep all these points in mind when further discussing about the revision of the Directive.



Pernille WEISS MEP, Industry, Research & Energy Committee

The industry sector is important to Europe.

Important for jobs, growth and the green transition.

The industry is faced with challenges and opportunities.

Technologies are changing and so is legislation and standards.

The current machinery Directive harmonises health and safety requirements and promotes the free movement of goods - this is what EU-legislation is all about.

The Commission has launched an assessment study into the effectiveness of the current machinery Directive.

This study is expected to finish in February 2020.

I believe that such studies are good.

We need to know if legislation is working the way it is intended to do.



However, I also believe that our industries need stability - legislators should not constantly revise legislation.

We need to be able to compete with the rest of the world.

We need to provide the best possible conditions for our industries.

This will not happen if we keep changing legislation forcing companies to constantly adapt.

My hope is that the impact assessment of the Commission will not lead to a desire to revise the Directive.

If however the Commission finds it necessary to revise the Directive I will make sure to listen to those affected by it - I will listen to you.

It has been 10 years since the Directive was revised and maybe it will need changes - these changes should be proposed after consultation with the industry.

It is also important that any changes help us pursue the green transition.

Europe needs to be the strongest market for green solutions - this very much applies to the machinery sector because the sector is a driving force for innovation.

Therefore, I am looking forward to hearing your views on a possible revision of the Directive and what we as legislators should be aware of.

Juan Andueza, DIMECO SA, General Manager,

I would like to share the experience of my company in relation to the Machinery Directive in view of its future review.

Let me first say a few words about my company, DIMECO. It is a small Spanish company founded in 1988 with nearly 200 employees active in the area of sheet metal processing. This includes press feeding equipment and also complete manufacturing lines for finished massive production products like electrical distribution parts and systems, racking shelving, laser blanking and other specific applications. But even if we are small company, we are also a global company and we export more than 80% of our production to other countries in Europe and around the world.



One of the most important aspects for us, as an SME, is to have a clear, stable and harmonised legal framework to be able to invest and create jobs. A legal framework that is commonly accepted by as many countries as possible in Europe but also at global level. We should not forget that the machinery sector is a global sector.

As important as having a clear and stable legal framework is the need to enforce it.

Regulations should ensure an environment within which companies of all sizes are given a fair opportunity to compete. A lack of effective and consistent application of law provides those



manufacturers that do not comply with European regulations an unfair comparative advantage. This undermines the competitiveness of those manufacturers who invest a significant amount of their resources in ensuring compliance of their products with health, safety and other requirements of European legislation.

Machine tool builders, and specially SMEs in this sector, are system integrators of various mechanical, electrical and IT components and automation systems. Knowledge of these and other relevant technologies such as laser technologies, robotics, automation or additive manufacturing is therefore essential. Cooperation within the value chain with our suppliers is also essential in order to ensure that health and safety requirements included in EU legislation are fulfilled.

In our company we have invested considerable time and resources in order to develop internal procedures and methodologies to carry out the necessary risk assessment and ensure compliance.

According to the Commission evaluation of the Machinery Directive, the Directive has worked well and has also coped well with technological developments through time. Our view regarding the Directive is also positive and that is why in relation to its future review we believe continuity is the key word. Any future revision of the Directive should allow us to improve our procedures but there is no need for exponential change.

One of the measures that have been mentioned today and that we think may definitely be an improvement for both manufacturers and users is the possibility to provide instructions in digital format. In our company we print a huge number of pages per year. The main driver for moving to online manuals is the advantages it provides in relation to updating, quicker search for relevant information and reduction of environmental impact. In the case of complex machinery, manuals are often needed for operations and processes. Since complex machinery is usually accompanied by complex manuals, these solutions would allow to find the right information quickly, especially if integrated with augmented reality solutions.

But rather than changes in legislation what SMEs need is to have good application guidance and harmonised standards that support companies to implement the requirements of legislation into an easy and understandable way. To this respect it is important that we work harder in order to improve the process of citation of harmonised standards in the Official Journal and to ensure standards are developed faster. A faster delivery of standards would also facilitate the involvement of companies, specially SMEs which have more limited resources, in the standardization process.

In summary I would like to highlight that from our perspective the Machinery Directive is working well. We specially appreciate the possibility of self-declaration and that is written in a technology neutral way. From our perspective what we need to focus on is its effective application and the development of harmonised standards in line with technological developments that help SMEs to comply with existing legal requirements.

Marcel Dutrieux, THE TORO COMPANY, Manager European Product Integrity

- The Machinery Directive is fit for purpose, it has proven to be one of the major examples of New Approach Directive which had and still has benefits for the internal market





- Introducing additional requirements for new technologies such as Artificial Intelligence, cyber security, etc. indeed could be required, but before discussing the specific requirements, it needs to be clear what the boundaries are that need to be covered, thus, setting the correct definitions. The key point for the industry is that any new requirements covering new technology, must not have a negative impact (i.e. additional requirements) on current products already compliant to current legal text.
  - AI in manufacturing today and in the next decades is narrow AI under strict lead of the human being where in no way machines can take the lead.
  - Do not confuse AI in manufacturing with buzzwords used in movies.
- In terms of cybersecurity, the supply chain must be considered. It is of no use if there are no cybersecurity requirements for communication devices and cybersecurity requirements must be observed for machines in which such devices are integrated.
- Future legislation needs to be made as clear as possible in view of current available technologies, specifically related to digitization; there should be no room left to allow additional/specific requirements to be added via a guideline e.g. requiring paper documentation is old fashioned.
- Industry is a key stakeholder in the revision of the Directive and is fully committed to support authorities in a transparent way; keep in mind: it is the industry which knows best the products that are placed on the EU market; and it still there responsibility to place safe products in the market.

Filip Geerts, CECIMO, Director General

After listening to the discussions today, if there is a single word summarising what is needed in relation to a possible revision of the Machinery Directive, this is: continuity.

I think, overall, we all agree that the Directive is a good piece of legislation. The model in which it is based i.e. the definition of general essential health and safety requirements, leaving technical details to standards developed by industry and other stakeholders, has proved to be successful. This has also given room for innovation and adaptation to new technological developments.

From the point of view of businesses, it is important to have a stable legal framework that offers us the right conditions to invest, innovate and create jobs. As we heard today SMEs are more severely affected by regulatory changes than large companies since they are unable to spread the costs of compliance across large scale operations. In the machine tool and related manufacturing technologies sector over 80% of the companies are SMEs and this is an important aspect to be considered. Rather than changes in Regulation what they are asking for is further guidance and standards that support them in implementing the requirements of the Directive in line with the state-of-the-art and technological developments.

It is also important to note that although mainly composed by SMEs, our sector has also a strong international dimension. More than three quarters of the production from the companies represented by CECIMO is shipped abroad, and around half of it is exported outside Europe to China, the US, Mexico or India. Keeping our competitiveness at international level is therefore





very important, especially in a context where we are facing even stronger competition from Asian countries.

The European Commission President, Ursula Von der Leyen, has promised to propose legislation to address the human and ethical implications of ARTIFICIAL INTELLIGENCE (AI) during her first 100 days in office. As we heard today Artificial Intelligence is also one of the issues being considered in the context of the future review of the Machinery Directive.

It important that any review of the Machinery Directive or any future legislation is based on the real estate of development of emerging technologies, facts and actual risks as opposed to perceived hazards and misconceptions.

Let me finish with by summarizing the key message from the side of industry in relation to the future of the Machinery Directive: What we need is continuity and a coherent and stable legal framework that allows for innovation. What we do not need is overregulation. Our competitiveness and the future of the European machinery industry is at stake.

Antony Fell, EUROPEAN FORUM FOR MANUFACTURING, Secretary General

This has been a very fruitful exchange of views today on the Machinery Directive and concludes the European Forum for Manufacturing events for 2019.

Looking forward to 2020, we now have a new Commission and we have been studying the Commission's Mission Letters to her team.

It is an ambitious and challenging programme and includes:

- a European Green Deal in first 100 days
- increased emission reduction targets
- new European climate pact and
- a new long term strategy for Europe's industrial future.

We will take these into account in the 2020 EFM programme

Finally I would like to thank the CECIMO and EFM team for their excellent preparation of this meeting.



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