



Innovation policy for the European metal industry

An EMF perspective for 2008

EMF New Year's Reception
Press Conference
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The seven pillars of innovation

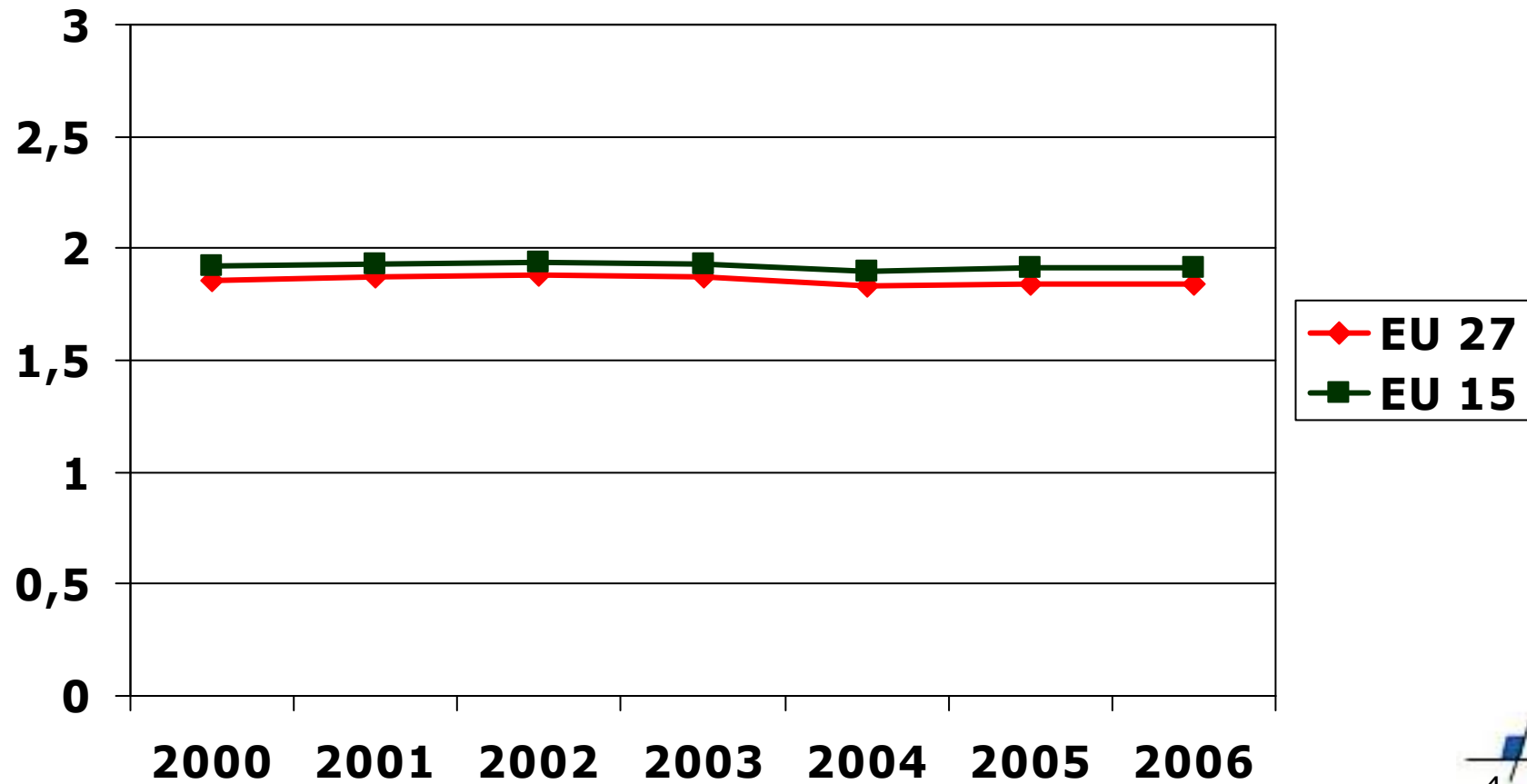
- Education
- Research and Development
- Financing of innovation
- Clustering the actors of innovation
- Transfer into the production process
- Regulatory framework
- Demand supportive to innovation



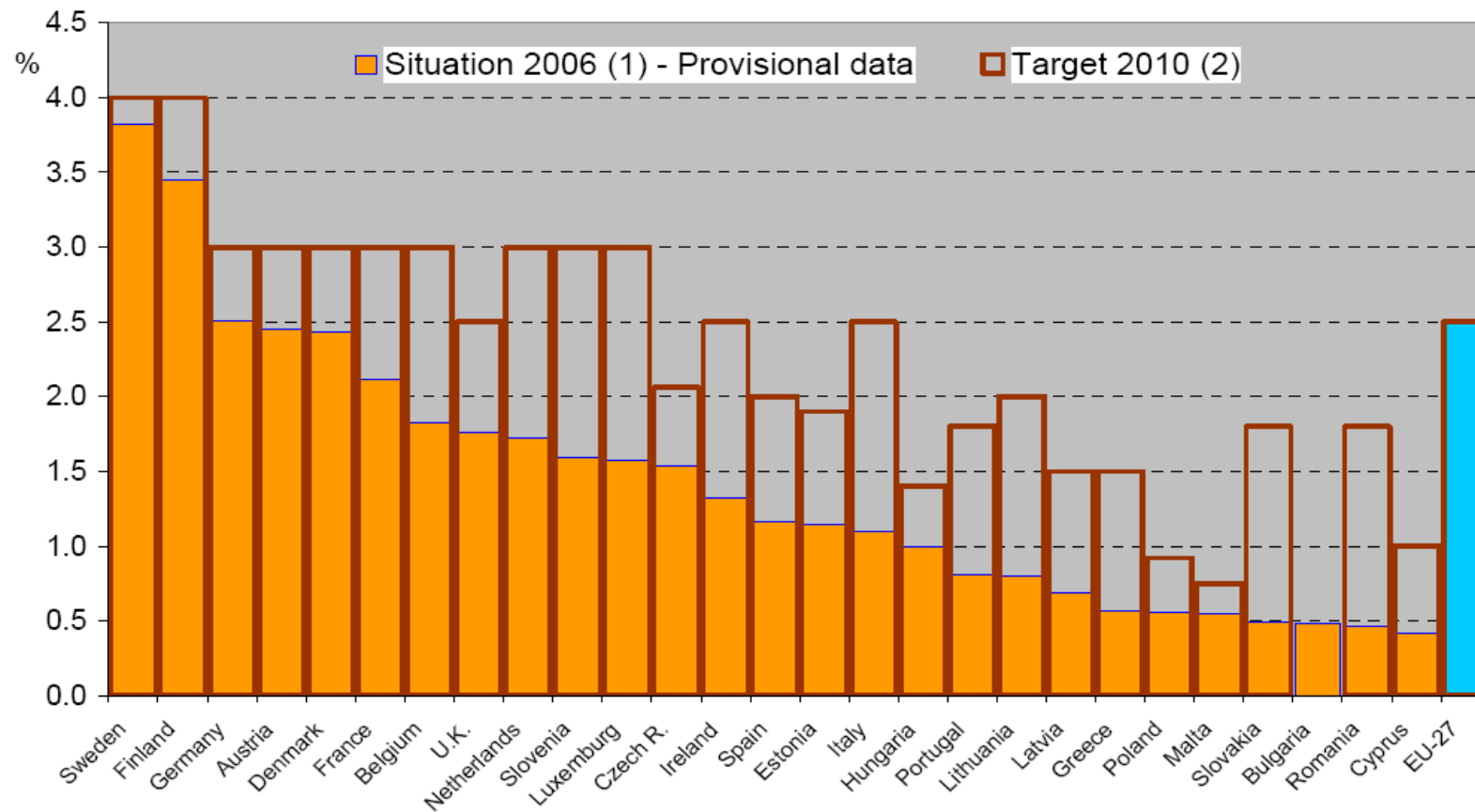
Highlights

- R&D is crucial to the future of the European metal industry
- Up to 40% of labour productivity-growth generated by R&D
- We support the aim to invest at least 3% of GDP in R&D (2% private; 1% public)

R&D expenditure as a % of GDP



Target out of sight



Source: Eurostat, Member States; Illustration: European Commission



Structure of Europe's R&D

- Only 11% of Member States' R&D investment benefit manufacturing sector
- New focus on innovation in traditional industries needed
 - Technology-based industries create 35% growth of US manufacturing sector, 24% in the EU
 - Definition of 'high-tech' difficult
 - EU takes technological lead in so called 'mid-tech' sectors (machinery, automobile, etc.)



The role of the EMF in innovation

- Getting the workers' dimension into Innovation Policy
- Technology Platforms
- Social dialogue and collective agreements



CO₂ reduction: challenge for innovation

- CO₂ reduction offers possibilities
 - New technologies
 - Better products (example: automobile industry)
- Getting the balance/speed right
 - Anticipation of change must be possible
- Enable industry to adapt
 - Avoid emission leakage
 - Focus R&D expenditure on resource efficiency (FP7)



Technology platforms (1)

- European Steel Technology platform
 - Budget: 700 million € per annum
 - Focus on environment (40% of the budget)
 - Tool for CO₂ reduction breakthrough
- *Manufuture* Technology Platform
 - Knowledge based manufacturing
 - Socio-economic environment for innovation
 - Increase ICT penetration of manufacturing
 - Example: 90% of future innovation in the automobile sector will be ICT driven



Technology platforms (2)

- Electra (Electrotechnical Engineering)
 - Active in working groups
 - Energy Efficiency and CO₂ reduction
 - Infrastructures
 - Regulatory barriers
 - The example of household appliances (white goods)
 - Europe's 'high-tech' products cannot compete with cheap imports
 - Bad for jobs and energy efficiency
 - Eco-labelling and/or top-runner approach

Innovation at company-level

- Innovation is more than R&D
 - Combining practical experience with scientific knowledge
 - Successful cluster policies include stakeholders
- R&D / production mix
 - Without production, R&D will move outside the EU
 - Synergies R&D / production
 - Individualised mass-production
- Co-operation-based innovation
 - Employees' involvement in company decisions
 - Revision of EWC directive



Workers are innovative: the example of Audi

- Active management of ideas
 - 2006: proposals from 19.000 workers
- Saving costs of 47 million € (2006)
 - Bonus payments of 5.1 million € yield a tremendous return
- Motivation is the key to innovation



Training & education: key to innovation

- EMF common demand:
The individual right to training
 - Guaranteed by collective agreement
 - Certification for qualification
- Social Dialogue
 - Training and education issue
 - Sectoral and Sub-sectoral dialogue
- Work better instead of cheaper
 - increase competitiveness and the security of workers



Thank you for your attention

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