



*Manufuture*

Restoring EU Industry  
Competitiveness

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## *Agenda*

Theme 1: Diagnostic - From recession to recovery to reindustrialization: where do we stand?

Theme 2: Digitilisation

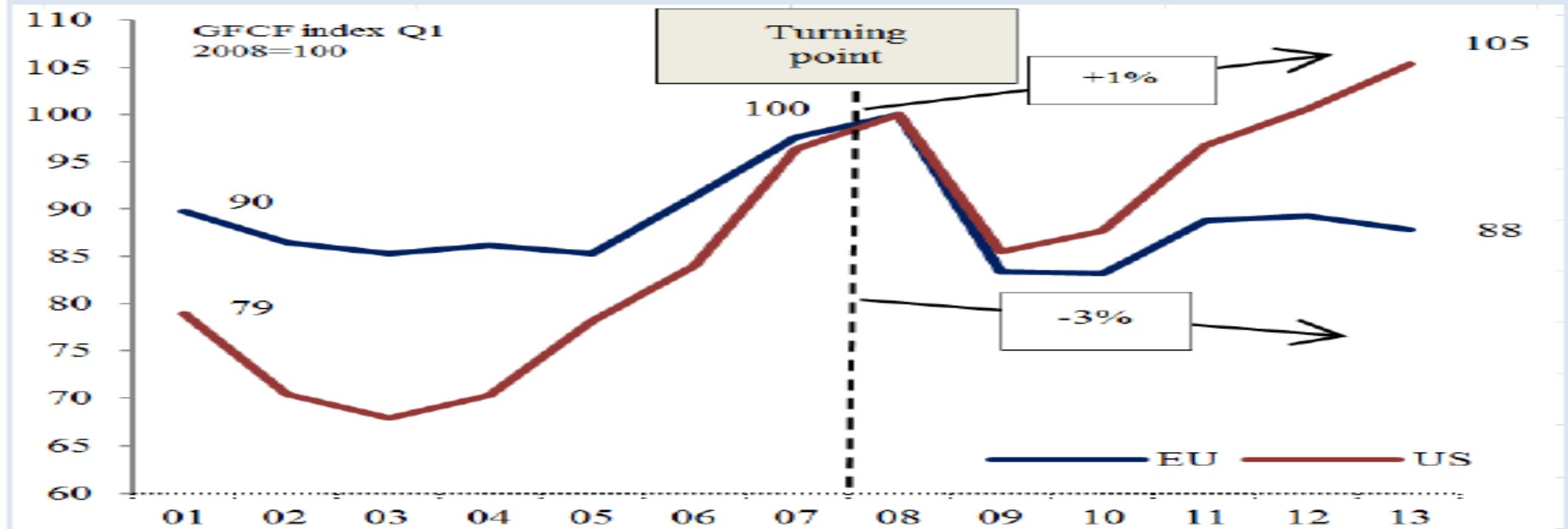
Theme: 3: Innovation and Technologies

Theme 4: Internationalisation

Theme 5: Your disruptive recommendations

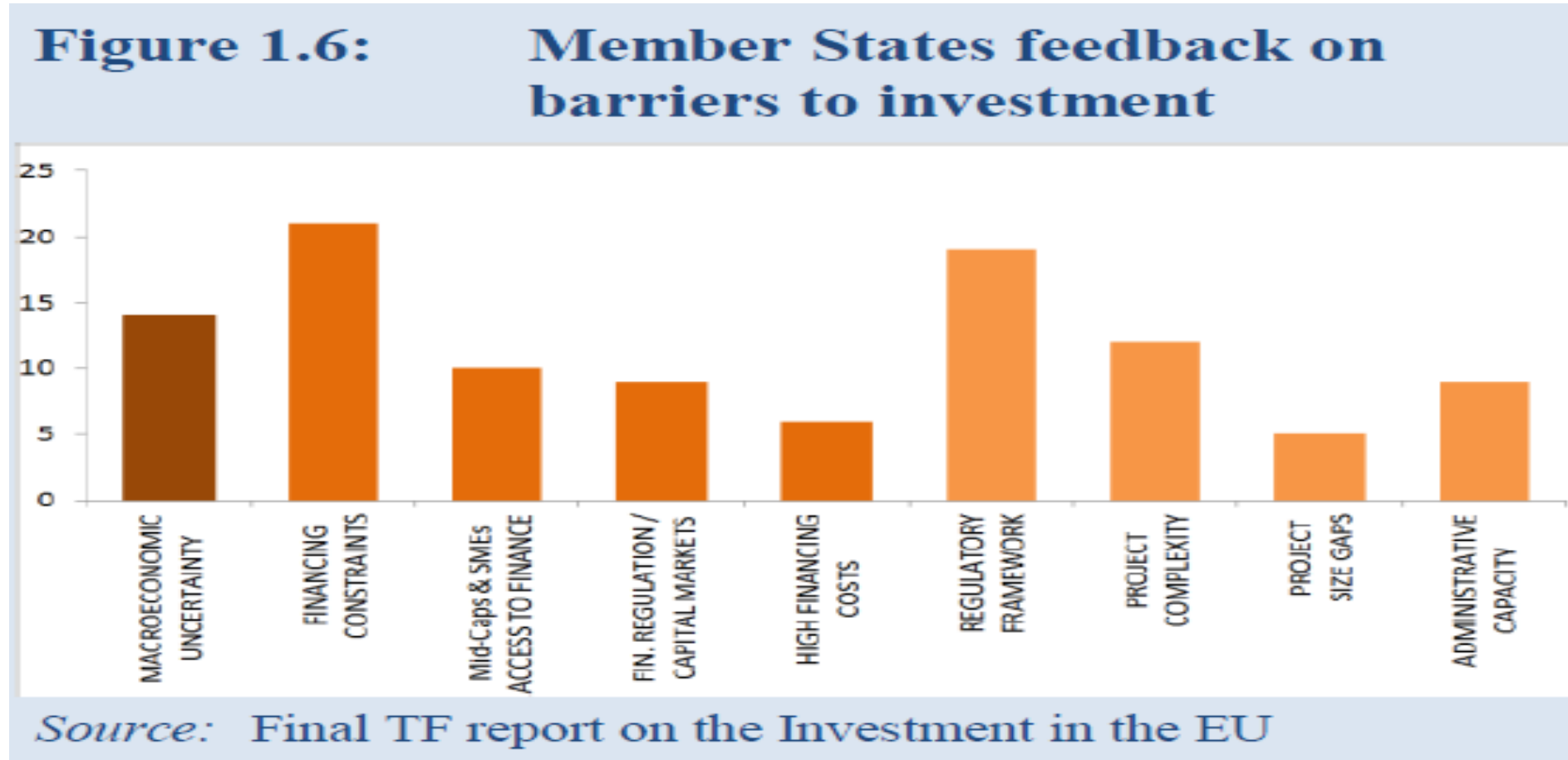
# Theme 1: Diagnostic - From recession to recovery to reindustrialization: where do we stand?

**Figure 1.2: Evolution of gross fixed capital formation in manufacturing sectors, 2001-2013 (Index)**

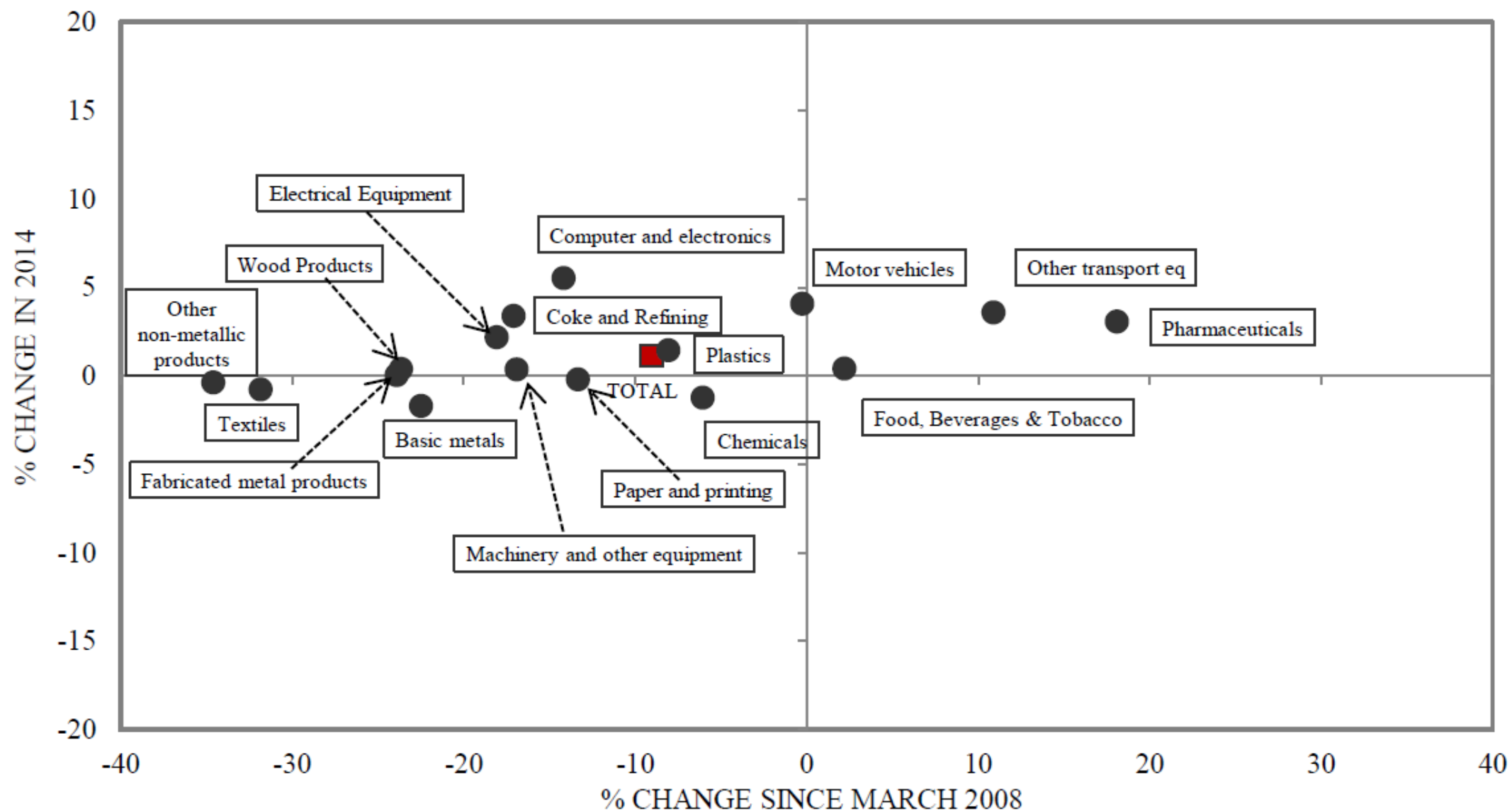


Source: European Investment Bank; U.S. Bureau of Economic Analysis; Eurostat; BCG Analysis

# Diagnostic - From recession to recovery to reindustrialization: where do we stand?



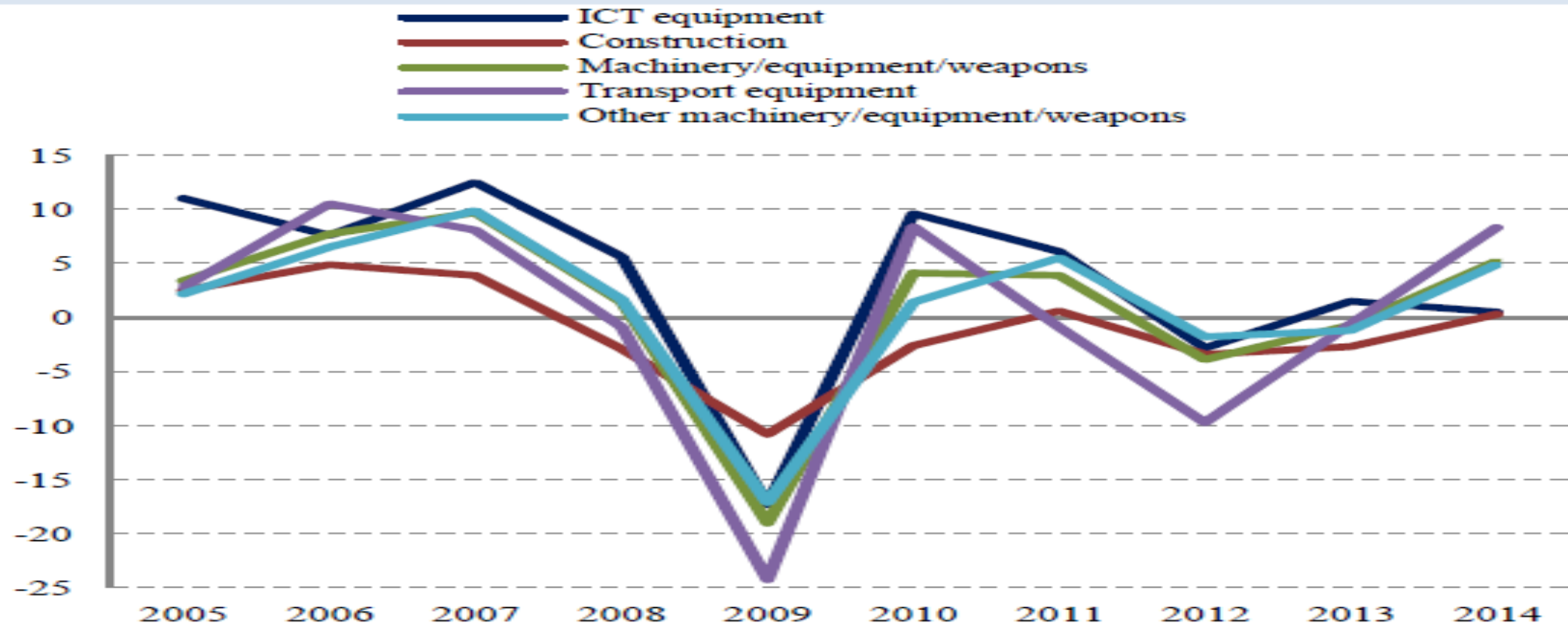
**Figure 2.5: Sectoral performance of manufacturing output in the EU-28 (2014 and 2008-2014)**



Source: Eurostat

## Theme 2: Digitilisation

**Figure 1.4: Investment in the total economy by asset type in the EU-28: Growth rates**



Source: Eurostat

## *Theme 2: Digitilisation*

### Digital Entrepreneurship Scoreboard 2014

**Figure 11: Percentage of firms according to their degree of technologies adoption**

	<b>Non digital</b>	<b>Digital Beginners</b>	<b>Digital Followers</b>	<b>Digital Mature</b>	<b>Fully Digital</b>
UK	26.8%	38.8%	23.7%	8.0%	2.6%
France	28.7%	36.9%	25.9%	6.1%	2.1%
Germany	31.5%	41.3%	21.1%	4.2%	1.9%
Italy	52.3%	28.7%	14.4%	3.3%	1.2%
Spain	28.6%	41.6%	25.6%	3.0%	1.2%

## *Theme 2: Digitilisation*

**Figure 12: Percentage of firms adopting each of the four technologies**

	<b>Social</b>	<b>Cloud</b>	<b>Big Data Technologies</b>	<b>Mobile Solutions</b>
UK	34.4%	31.0%	14.3%	37.9%
France	35.2%	29.4%	9.5%	33.4%
Germany	29.4%	26.7%	6.1%	34.4%
Italy	31.3%	16.7%	4.7%	17.9%
Spain	36.4%	29.4%	4.3%	27.1%



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## ***Theme 2: Digitilisation***

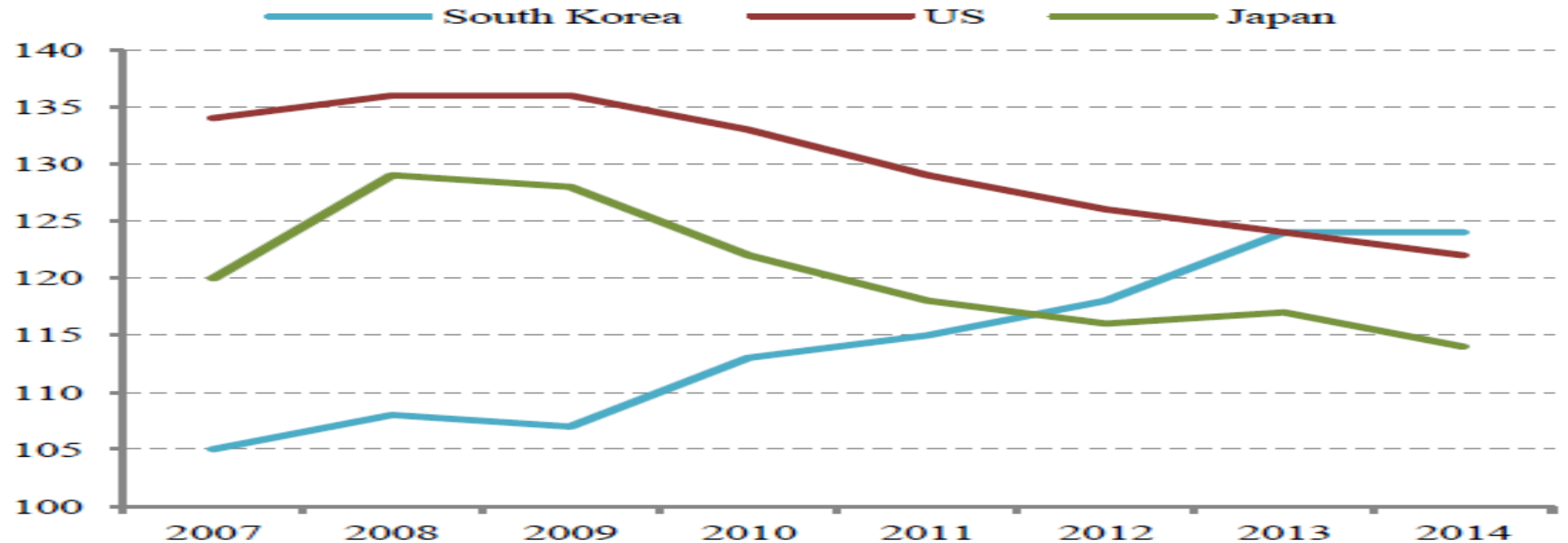
- Is it the right direction to improve EU industry Competitiveness? Which initiatives are going into the right directions which are not?
- Is it the right scale and the right approach (EU/national)?
- Is it the right speed?

### Digital Platforms

- What is your opinion on digital platforms for the Industry?
- Why did the largest EU industrial players in the most competitive domains partner with the GAFA (google, Apple, Facebook, Amazon)?
- Do we need to build up pan European digital platforms as EU countries built Airbus?

## Theme 3: Innovation and technologies

**Figure 2.26: Innovation performance gap with non-EU countries (EU=100)**



Source: European Commission, *Innovation Union Scoreboard 2015*, DG GROW.

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## ***Theme: 3: Innovation and Technologies***

EU countries are **encouraged to invest 3% of their GDP in R&D by 2020** (1% public funding, 2% private-sector investment) -

Horizon 2020 - **Almost €80-bn** of EU funding is available up to 2020 –

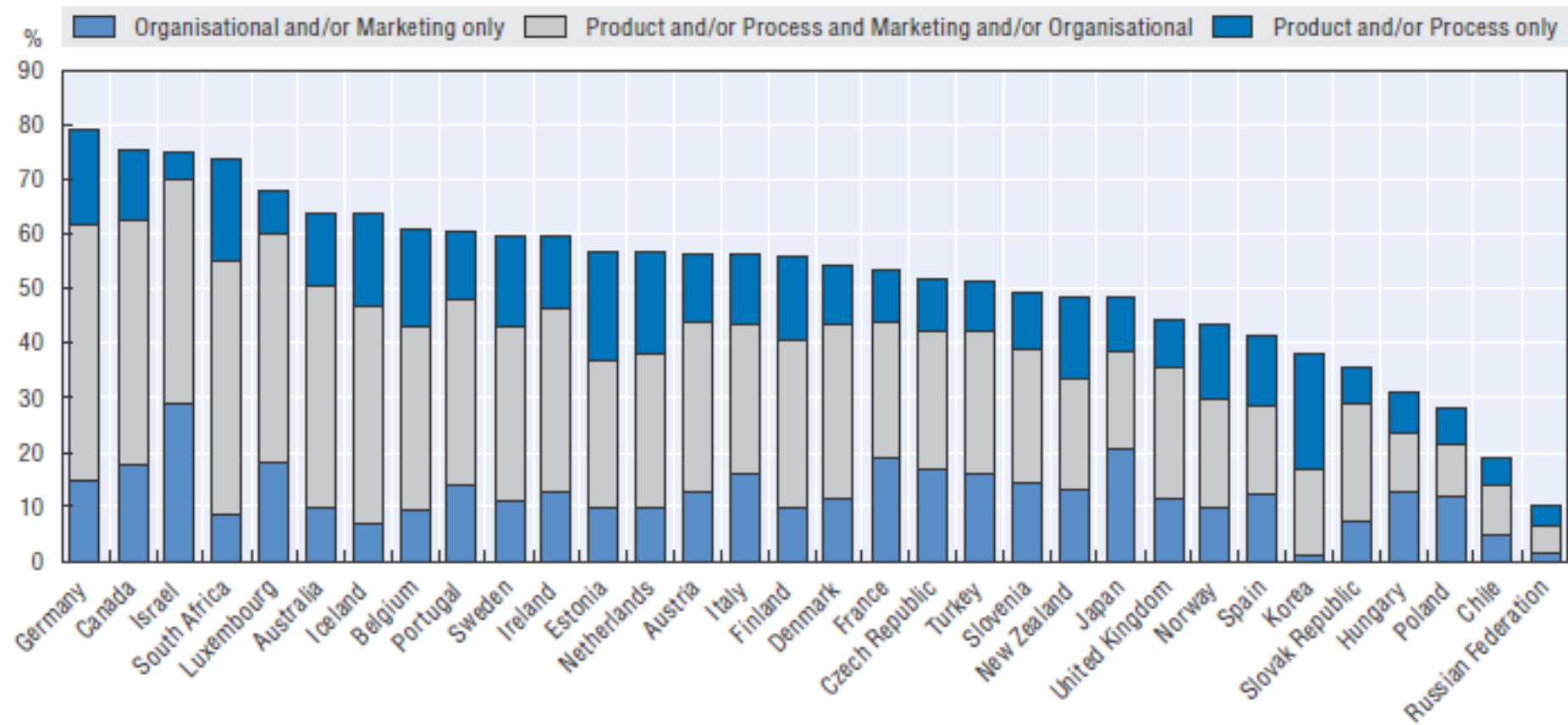
Its goals are:

- to strengthen the **EU's position in science** (€24.4-bn of funding – including €13-bn for the European Research Council)
- strengthen industrial innovation (€17-bn)** - including investment in key technologies, greater access to capital and support for small businesses
- address major social concerns**, such as climate change, sustainable transport, renewable energy, food safety and security, ageing populations (€24.4-bn).

## Theme 3: innovation and Technologies

Figure 1.23. Most innovative firms combine several modes of innovation

Innovative firms by mode of innovation, as a percentage of all firms (%), 2008-10



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## ***Theme 3: Innovation and technologies***

- Does Europe need to review the balance between the supply and the demand of support programs for RDI ?
- What do we need to change or implement to ensure the take off the emerging EU industries?
- What are the barriers to remove to ensure the success of the following initiatives?

A Circular economy:

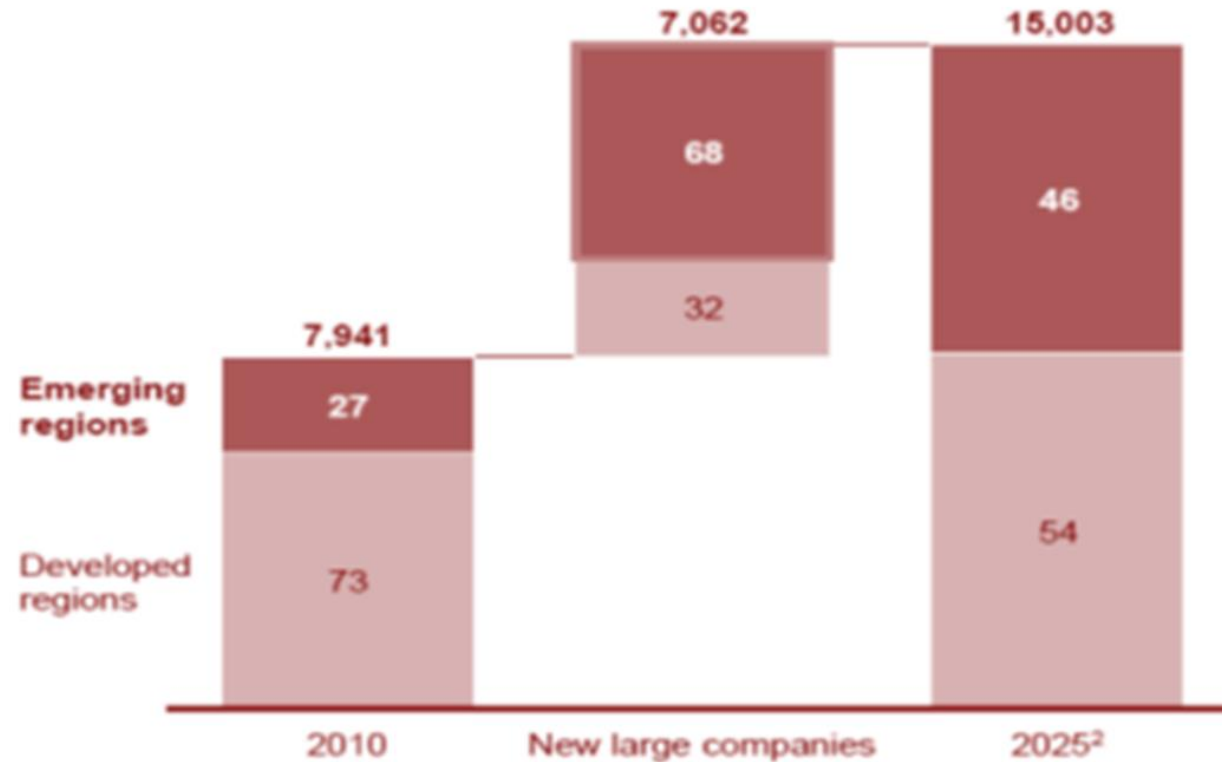
B Big data:

C Mass customisation industries

D Clean energies

## Theme 4: Internationalisation

Of the 7,000 new large companies that are expected to develop by 2025, seven out of ten will be in emerging regions  
%; number of large companies<sup>1</sup>

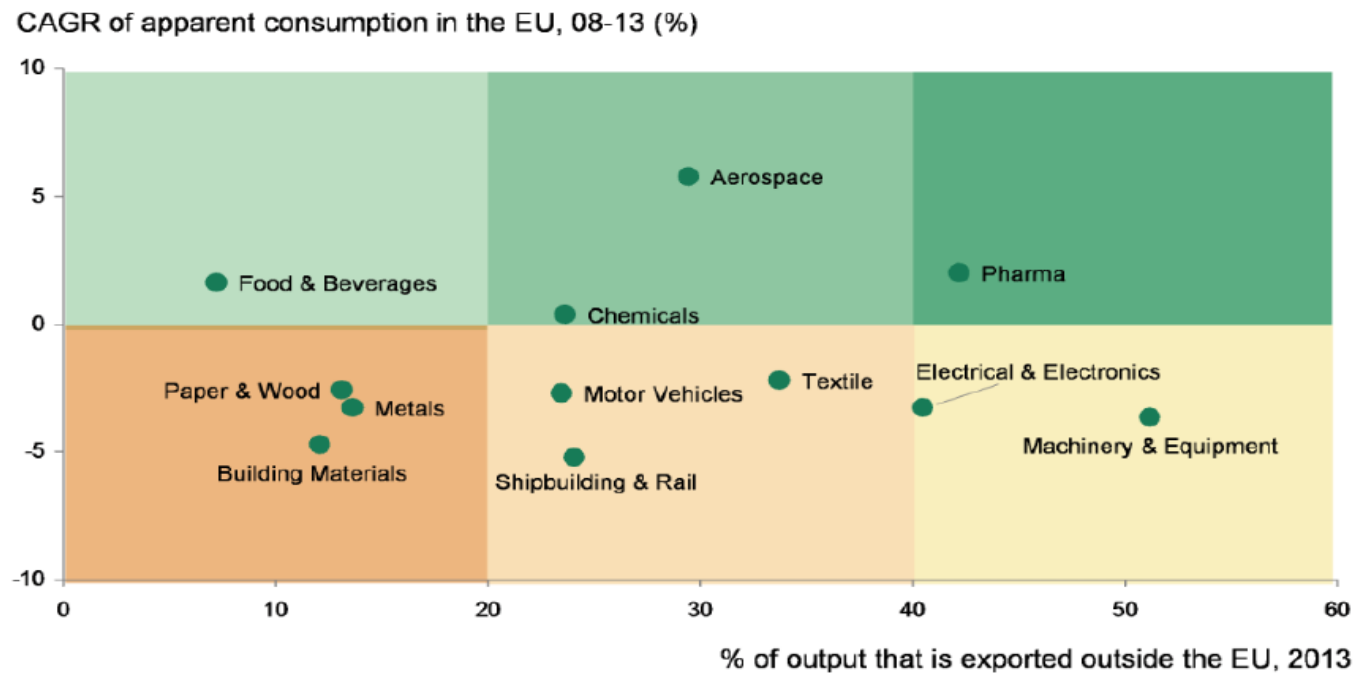


Source: McKinsey research

## Theme 4: Internationalisation

### Paper & wood, metals and building materials are the most impacted by the decline of internal demand

Share of EU's gross output that is exported and growth of apparent consumption per value chain



## Theme 4: Internationalisation

### *What do you see as the main factors that currently limits the development of going international ?*

- Base: 503 companies



SOURCE Baromètre OpinionWay/CCI International – Les PME/ETI françaises et l'internationalisation – Juin 2014



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## *Theme 4: Internationalisation*

Over the next decade, some 90% of new global demand will be generated outside Europe, which makes the internationalisation of firms an indispensable element of policy strategies at both national and European levels.

**How to make European manufacturing companies more competitive outside Europe ?**

## *Theme 5: Your disruptive recommendations*

