

## CECIMO PRESS RELEASE

### Economic projections and industry dynamics unveiled at CECIMO Brussels Forum

**Brussels, 7 December 2023** – The [European Association for Manufacturing Technologies](#) (CECIMO) has successfully concluded its fall plenary meeting, the CECIMO Brussels Forum. Over two dynamic days, around 100 participants took part in an insightful programme of in-depth discussions led by industry specialists and policy makers.

Markus Schulte, Head of Cabinet to Iliana Ivanova, European Commissioner for Innovation, Research, Culture, Education and Youth at the European Commission opened the Forum by highlighting the critical role of manufacturing, and the machine tool sector in particular, in the European economy. In his keynote speech, Mr Schulte pointed out that *“the European manufacturing industry is at the centre of the green transition and it represents an indispensable component for a sustainable and resilient future of this sector. I think that the machinery industry has an indispensable role to play, acting as the backbone of manufacturing and bringing innovations in human-centric manufacturing technologies, in data ecosystems, and in new technologies for circularity.”*

The Forum brought together experts to discuss innovative manufacturing, technology, the current state of the industry, and skills development through two comprehensive panel discussions, underlining the event's commitment to advancing knowledge and collaboration in the manufacturing sector. The panel discussions highlighted the importance of strategic initiatives, and the EU's pivotal role in global leadership. A focal point was the urgent need for future skills, addressing the gap between industry needs and the current skills of our workforce. Notably, the discussions focused on the role of data in guiding a sustainable transition towards a more technologically advanced manufacturing landscape.

The CECIMO Brussels Forum inaugurated the Machine Tools Innovation (MTI) Awards. Kerstin Jorna, Director General of the European Commission's Directorate-General for the Internal Market, Industry, Entrepreneurship and SMEs officially opened the ceremony with a keynote speech that pointed out: *“European industry is a front-runner in sustainable manufacturing, and the Commission is committed to supporting the uptake of clean technologies and advanced manufacturing solutions. The CECIMO Brussels Forum 2023 is a great opportunity to see European innovators at work.”*

This competition marks a significant step forward for the industry and sets the stage for recognising ground-breaking contributions within the machine tool sector. The winner of the **2023 MTI Awards** was **Aldakin Automation S.L.** represented by Mr Ibai Inziarte, for their exceptional project on "Eliminating human exposure to potentially carcinogenic dust and increasing robot performance in machining of composite parts".

#### Economic situation and outlook

In addition to policy discussions, the second day was dedicated to exploring the economic situation and outlook for the sector. In that context, despite the current unfavourable business climate indicators,

CECIMO still anticipates a positive output growth in 2023, but remains cautious about the 2024 figures. The negative impact of monetary tightening and rising interest rates is affecting investment in capital goods and global demand, while geopolitical shifts at the global level are increasing uncertainty.

As highlighted during the Economic Committee meeting, the European Commission's latest forecasts predict GDP growth of 0.6% in 2023 for both the EU and the euro area. Looking ahead to 2024, growth is expected to pick up slightly, with **EU GDP forecast** to grow by 1.3% next year, slightly lower compared to forecasts published earlier this year. Notably, **inflation** in the euro area has sharply declined from its October 2022 peak of 10.6%, reaching a two-year low of 2.9% in October this year.

According to the latest figures, we have slightly lowered our expectations for 2023. Now, CECIMO's MT production is expected to grow by approximately **3.2%** and reach **26.2 billion** euros in 2023, reaching a share of around **34%** of world MT production. On the consumption side, with a value of around **18.7 billion** euros in 2023, the CECIMO countries will maintain their share of almost a quarter of global MT consumption. Expectations for **MT exports** are also positive, with the latest estimates showing a further increase of **5.7%** in 2023, while import growth is expected to occur at a slightly reduced pace of **2.5%**. The USA and China are expected to remain the two main export destinations for European MT producers in 2023, with the USA in first place.

On the demand side, however, a less optimistic trend can be observed over the past few quarters: in terms of the CECIMO8 total orders index\*, the average for the first three quarters of 2023 was around **12% lower** than in the same period last year, with domestic orders declining more sharply (-17%) than foreign orders (-9%). Due to the deterioration in business sentiment indicators closely linked to our sector and the slowdown in the global economy, CECIMO's latest trend indications for total orders show a downward trend before stabilising at the end of 2024. The deterioration on the demand side is also confirmed by the latest Oxford Economics MT consumption forecast, published in October 2023, which shows that global MT consumption is expected to **remain stable in 2024**, with some important MT-consuming markets for CECIMO's machine tool builders, such as the United States, expected to decline.

In line with this, "*the coming year is expected to be more challenging for global machine tool production and consumption*", said Marcus Burton, Chairman of the Economic Committee, in his presentation. In his concluding remarks, he stressed that the main concerns for demand growth in the short term are related to the challenges associated with the subdued investment climate. But he also stressed that in the long-term, investments related to the green and digital transition will be a key driver of machine tool demand.

This event was sponsored by [Fagor Automation](#), [BI-MU](#) and [Deloitte](#).

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#### About CECIMO:

CECIMO is the European Association of Manufacturing Technologies. With a primary focus on machine tools and additive technologies, we bring together 15 national associations of machine tool builders, which represent approximately 1500 industrial enterprises in Europe (EU + UK+ EFTA + Türkiye), over 80% of which are SMEs. CECIMO covers 97% of the total machine tool production in Europe and about 1/3 worldwide. It accounts for approximately 150,000 employees and a turnover of around 25 billion euros in 2022.

\*CECIMO8 Total orders index is a combined domestic and foreign orders index of eight major CECIMO MT producers (Germany, Italy, Switzerland, Spain, Austria, France, the United Kingdom and the Czech Republic), weighted by 2015 production levels.