

22 April 2020

**Subject:** Orgalim requests concerning Commission work in 2020 in light of Covid-19

Dear President von der Leyen,

On behalf of Europe's mechanical and electrical engineering, electronics, ICT and metal technology sectors, accounting for roughly a third of Europe's total industry, I am writing to share Orgalim's requests for prioritisation of the Commission's work in 2020. As outlined in [our statement of 14 April 2020](#), we asked for a review of the European Commission's Work Programme so that the focus in 2020 is on those actions that support the EU's recovery. The single most important factor when reviewing the WP 2020 should be the economic impact, positive or negative, of such measures. We also called for all current and planned consultations in 2020 to be delayed by six months.

We are not calling for a stop to all legislative action. We are however asking for the political framework to support the ability for our industries to focus all required resources on the immediate challenges of the recovery from the crisis, so that a solid and sustainable industrial basis can be rebuilt, and our long-term competitiveness can be reinforced.

We strongly support the Green Deal and the Digital actions as anchors for the recovery, including the Green Deal's current timelines. With regards to making Europe fit for the digital age, we are asking for a focus on those actions where our members believe the strongest progress can be made in 2020.

Our requests are divided into three parts:

- Urgent requests concerning postponement of implementation of legislation,
- Work Programme 2020 specific requests for prioritisation,
- Broader areas we believe the European Commission should focus on, to support the recovery (WP2020, 2021, or broader horizontal areas).

As we continue to receive input from our members daily, we may share further updates with you. I remain at your disposal to provide any further information you may need.



Malte Lohan  
Director General

*Orgalim represents Europe's technology industries: companies that innovate at the crossroads of digital and physical technology. Our industries develop and manufacture the products, systems and services that enable a prosperous and sustainable future. Ranging from large globally active corporations to regionally anchored small and medium-sized enterprises, the companies we represent directly employ 11 million people across Europe and generate an annual turnover of around €2,000 billion. Orgalim is registered under the European Union Transparency Register – ID number: 20210641335-88.*

Policy file	Postpone/support	Argumentation
<b>Urgent implementation challenges</b>		
<b>Non-Road Mobile Machinery – NRMM</b>	Delay of implementation for at least 1 year	<p>We are now in a transition phase for all stage V engines. Manufacturing and procurement of transition engines has already been completed and stored in accordance with the legislation's deadlines. For most of NRMM and tractors equipped with these transition engines customer orders are in place. Manufacturers now have until <b>30th June 2020</b> to produce NRMM and tractors fitted with &lt;56kW and ≥130kW transition engines, and then until 31st December 2020 to place these machines on the EU market, or on road register, or enter into service.</p> <p>Unfortunately, disruptions resulting from the COVID-19 outbreak mean that many NRMM and tractor manufacturers will not be able to meet the 30th June 2020 deadline. The date dictates that machines and tractors must be fitted with transition engines, off the production line and have passed the final tests so that production is considered as complete.</p> <p>Given the supply chain disruptions, there is a shortage of essential elements, as a consequence, NRMM and tractor manufacturers are prevented from completing the production of the machine by 30th June 2020 as mandated by the Regulation. Therefore, it is impossible to place on the market in time the NRMM and tractor equipped with the transition engines which have already been acquired. Since it would be no longer possible to use them, these engines will become obsolete,</p>

		<p>leading to enormous avoidable economic damage and unnecessary waste of raw materials and resources.</p> <p>The effect of these delays will also impact the machine and tractor manufacturers fitting transition engines in power ranges 56kW to 130kW, with a <b>30th June 2021</b> deadline.</p> <p>We therefore recommend urgently that these dates be postponed for at least one year.</p>
<p><b>Waste Framework Directive (WFD) – ECHA SCIP database</b></p>	<p>Delay, minimum one year to allow the Commission to do an impact assessment</p>	<p>ECHA SCIP database for information on Substances of Concern In articles as such or in complex objects (Products) established under the Waste Framework Directive (WFD): we call on the Commission to delay the upcoming legislative WFD deadline of <b>5 January 2021</b> for suppliers of articles to provide the information pursuant to Article 33(1) of REACH Regulation. This deadline should be delayed by at least one year to allow the Commission to do an impact assessment of the database.</p> <ul style="list-style-type: none"> <li>➤ This complex database was added to the WFD in the very last phase of the triologue without any prior impact assessment to check whether the objectives of the WFD Article 9 are achieved by this database.</li> <li>➤ This database will not contribute to circular economy if waste treatment operators will not use it.</li> <li>➤ The upcoming deadline of 5 January 2021 was from the start unrealistic considering the information requirements exceed by far the legal requirements and the very high number of articles and complex articles to be included.</li> <li>➤ We question the workability and proportionality of the database. The implementation of the database in its current form will represent an extreme burden for companies. The economic consequences both on human resources to be dedicated to it and on the IT developments to be implemented by the companies are disproportionate compared to the expected benefits, which have not yet been assessed. In particular, the</li> </ul>

		<p>environmental benefits of the database and the benefits for waste treatment operators and consumers have not been demonstrated.</p> <ul style="list-style-type: none"> <li>➤ The current draft WFD national transpositions are not harmonised, which will lead to different obligations being imposed on producers depending on the country in which their products are placed on the market.</li> </ul>
<b>Radio Equipment Directive (RED) – Directive 2014/53/EU - delegated act</b>	Delay to 2021	Concerns around cybersecurity and emerging technologies need to be discussed. However, we believe a fragmented approach across various NLF related pieces of legislation, will be detrimental to the recovery and growth of our industries. We call specifically for the RED delegated act to be postponed until 2021, to allow for our industries to focus resources on core aspects of the recovery.
<b>Work Programme 2020: Actions put forward by members that require concrete delays to allow our industries to handle the current impact of COVID19 and the recovery.</b>		
<b>Machinery Directive (MD), Directive 2006/42/EC – legislative proposal Q4</b>	Delay to 2021	The work program highlights the review of the MD, with the main goal to accommodate the new and emerging technologies. However, Orgalim members are asking to postpone the process, due to lack of time and resources of experts to provide input and help ensure well-grounded, future-proof solutions. It is impossible for our members – the primary “users” of this Directive – to have the required focus on this revision, when business priorities are driven by survival issues during and after the COVID crisis.
<b>Low Voltage Directive (LVD) – Directive 2014/35/EU - Staff Working Document and evaluation</b>	Delay to 2021	Orgalim members are calling for the evaluation and potential revision of the LVD to be postponed until 2021. The experts will not be available to work on the revision of the LVD. It will take focus / time away from the COVID recovery process.
<b>Electromagnetic Compatibility Directive – EMCD, Directive 2014/20/EU</b>	Delay to 2021	Orgalim members are calling for the evaluation and potential revision of the EMCD to be postponed until 2021. The experts will not be available to work on the revision of the EMCD. It will take focus / time away from the COVID recovery process.
<b>Outdoor Noise Directive (OND) – Directive 2000/14/EC - SWD Q2</b>	Delay to 2021	Orgalim members are calling for a postponement of the work on the OND to 2021 as we believe it is not critical for the COVID recovery process.
<b>Common chargers for mobile phones and similar devices</b>	Delay to 2021	We recommend that the work to be postponed into 2021 as we believe it is not needed for the recovery.

<b>Artificial Intelligence – Follow-up to the White Paper on Artificial Intelligence, including on safety, liability, fundamental rights and data</b>	Delay, to 2021	We are asking for a postponement until H1 2021. The Work Program highlights that this could be in the shape of a potential legislative approach. We believe that the European Union cannot afford a rushed legislative framework in such a strategic area. The description of the envisaged legislation following the White Paper is extremely wide and covers areas which most probably cannot be part of a single text. In line with our feedback on other files and their postponements, we believe any follow up needs to be closely aligned with the developments in these other areas. Moreover, the topic is far-reaching and will request the consultation of multidisciplinary expert who are focused on direct COVID19 recovery actions.
<b>Review of the Directive on security of network and information systems (NIS Directive) – Q4</b>	Delay, to 2021	The current Directive on security of network and information systems (NIS) entered into force in August 2016. Member States had to transpose it into their national laws by 9 May 2018. The directive lays down requirements regarding national cybersecurity capabilities of Member States; rules for their cross-border cooperation; and requirements regarding national supervision of operators of essential services and key digital service providers. Having in mind that NIS directive has been in place only for two years, there is no rush to proceed with its update. Moreover, it requires expertise from the industry that is now focused on COVID19 recovery.
<b>Digital Services Act – legislative proposal Q4</b>	Delay to 2021	The revision of the current 2000 eCommerce Directive needs careful consideration in order to keep the online economy running. The focus of the current debate lies on the complex role platforms play in the economy and in society in general. Business, especially SMEs, needs to be deeply engaged in this review in order to ensure that the COM understands the plethora of services that they are due to regulate. This proposal is very complex and tackling subjects such as the rights of consumers, censorship, the free market, and the responsibility of online platforms. We also believe it is not crucial for the recovery and should be postponed until 2021.
<b>Guidance document on Product Liability Directive Q2</b>	Delay to 2021	The European Commission is planning to publish a guidance document to the Product Liability Directive. A delay in the publication is necessary as changing liability rules would affect companies' risk management and insurance policies, creating

		unnecessary burdens for companies. We believe that such a document and the potential subsequent actions, are not critical for the recovery in 2020.
<b>EU – UK trade negotiations</b>	Delay to 2022	The EU and the UK are currently negotiating a trade agreement. We ask to extend the transitional period for two years in order to avoid disruptions to our highly integrated value chains, which are already under pressure due to COVID-19.
<b>Revision of the non-financial reporting Directive (CSR-Directive):</b>	Delay to 2021	The planned expansion of the scope of the information to be disclosed, as well as a possible extension to SME's, will lead to more extensive reporting obligations, which will place a heavy burden on SMEs in particular (even if SMEs aren't directly affected, they will have to comply as part of the supply chain). The situation is further aggravated by the fact that the value chains have already been severely affected by the Corona crisis. Under these circumstances, it is hardly imaginable that companies can currently demand the required data on sustainability and environmental aspects from their suppliers. The proposal to revise the CSR Directive should therefore be postponed to 2021 and a focus should be placed on the overall orientation of the new Sustainable Finance framework.
<b>General Product Safety Directive</b>	Delay the consultation on its revision	No experts available to work on this planned regulatory change. In troubled economic times, economic operators need legal certainty and predictability.
<b>Actions put forward by members that require attention from the European Commission, in support of the recovery. These are actions that are listed in the current Work Program 2020, planned for 2021 or broader horizontal issues.</b>		
<b>Changes to the EC interpretation of Regulation 1025/2012 on European Standardisation</b>	Support	Orgalim members are calling for resolving the increasingly problematic problems that have arisen since the European Commission has changed the procedure for requesting, monitoring and citing harmonised standards in the OJEU from a contractual agreement with CEN, CENELEC and ETSI into a Commission implementing act. This procedure induces unacceptable delays for industry, the primary user of harmonised standards; the availability of such standards is a cornerstone of the Single Market to enable trust among Member States and likewise facilitate the placing of industrial products on and their free circulation across the whole EU territory. These hurdles will prove even more dramatic at a time when companies need:

		<ul style="list-style-type: none"> <li>➤ A European legislative framework whose application does not depend from the prerequisite of an acknowledgement by the European administration when market needs to rapidly adapt to economic and technological challenges such as those posed by the COVID19 crisis;</li> <li>➤ More predictability for quickly placing their products on the market and likewise obtain a rapid return on their investments for all their products falling under NLF-type legislation;</li> <li>➤ Sourcing their product parts and components from a wide range of third countries, which is facilitated by the technical harmonisation at international level; this is even more vital at a time when European supply chains are being interrupted by trade restrictive measures and social distancing policies</li> <li>➤ Increased influence of European technology providers on the technical content of international standards that increasingly shape business opportunities worldwide for a rapid economic recovery.</li> </ul>
<b>Blue guide revision / Long term action plan on enforcement and implementation</b>	Support	In order to obtain the benefits of the new regulation on Market Surveillance (EU 2019/1020) the Blue Guide must be updated to secure aligned implementation in Member States. Furthermore, there is a need to follow up on the long-term action plan on enforcement and implementation. More than ever after COVID 19 there is a need to ensure the agreed rules are implemented and enforced to accommodate for a level playing field, also when it comes to products from third countries.
<b>Data strategy Q4</b>	Support	Orgalim shares the COM's objective to focus on a new EU data strategy (2020 position paper). Data could be one of the cornerstones for businesses to seek for new means to ensure competitiveness after COVID19. It is also a source of innovation and new innovative businesses. In addition, data is the core of digital transformation, which is the main anchor for a recovery strategy.
<b>Water Framework Directive (WFD, 2000/60/EC) Urban Waste Water Treatment Directive (UWWTD, 91/271/EEC)</b>	Support current timeline	We call for long-awaited decisions by the Commission on <b>the Water Framework Directive (WFD)</b> . The amended WFD would give the industry very much needed regulatory certainty as well as a clear timeline for implementing WFD-related

		<p>measures. In addition, our sustainable, energy-efficient, circular and smart water technologies are fit to contribute to achieving the WFD’s objectives.</p> <p>It is also important that the work with preparing a revision of <b>the Urban Waste Water Treatment Directive (UWWTD)</b> continues. The technology solutions and perspectives in the water sector have developed tremendously since the UWWTD was adopted in 1991. A revised UWWTD will contribute to a better water quality in Europe; in general, to the quality of surface waters, and especially to the quality of bathing water and the coastal waters. Moreover, the revised UWWTD should focus on energy and circular economy aspects in the water sector, namely energy efficiency and the recovery of materials, energy and other resources from waste water treatment plants and sewer systems. This will foster innovation, and support implementing the best technologies in the sector, while contributing to EU’s energy and circular economy policy goals as well.</p>
<b>Modernisation of WTO</b>	Support	Orgalim fully supports the European Commission’s efforts in finding solutions to the current challenges at WTO level. Companies need a reliable international framework to trade, especially in the current context where multilateral solutions are required to support the recovery.
<b>Tariffs</b>	Support	Orgalim supports postponing the payment of customs duties until the COVID-19 crisis has ended. This will help our companies import the intermediate goods they need.
<b>Customs Union action plan</b>	Support	Through a Communication, the European Commission aims at strengthening and harmonising the enforcement activities of customs authorities across the EU, in particular by enhancing customs cooperation. Orgalim supports a closer cooperation between customs authorities and calls for the Commission to continue to prioritise this.