



Corporate R&D investment workshop

**Xavier Baillard, Innovation Director, EIT
Manufacturing**

May 22, 2024



eitmanufacturing.eu



The European manufacturing industry faces five main challenges

Skill gaps

- Urgent need to reskill, upskill and reimagine traditional roles
- Challenge caused by **aging demographic** evolution in Europe, coupled with a **shift in skillset requirements**

Lack of diversity

- Manufacturing is one of the sectors with the **lowest share of women** employees
- A **diversified workforce** is a key **lever to unlock innovative thinking**
- To attract tomorrow's talents from **across the spectrum of diversity**, manufacturing work environment must improve

Linear production models

- Current production and consumption systems rely on **non-reusable or non-recycled raw materials**
- **Linear models** generate persistent waste and perpetuate the demand for virgin resources
- Shift need towards **circular production to reduce overreliance** on unsustainable materials and **cut waste**

High GHG emission

- **Regulation is too slow**, despite the European Green Deal and its Net Zero Industry Act or Corporate Sustainability Reporting Directive
- Need to prioritize **sustainable products** and practices to meet climate-neutral goals and unlock opportunity

Insufficient resilience

- Europe **depends** on specific raw materials and critical components
- **Importance of a resilient** European manufacturing shown through COVID-19 pandemic and Ukrainian war
- Europe is **lagging behind** in **digital platforms** which pose an opportunity to increase competitiveness

For Europe to prosper, manufacturing needs to thrive

Innovation is key

Manufacturing in Europe
represents:

16%

GDP

2.1m

Enterprises

32

m
Jobs

7.2tn

€
Revenue



Growing a powerful network of 170+ partners

Including 70+ core partners

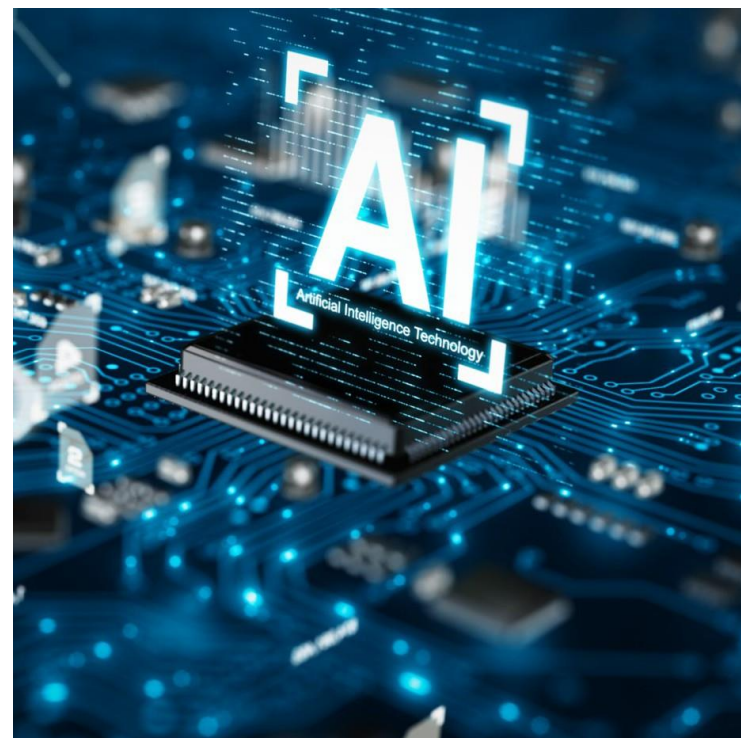


Last update: April 2024

We focus on five key themes impacting the manufacturing industry

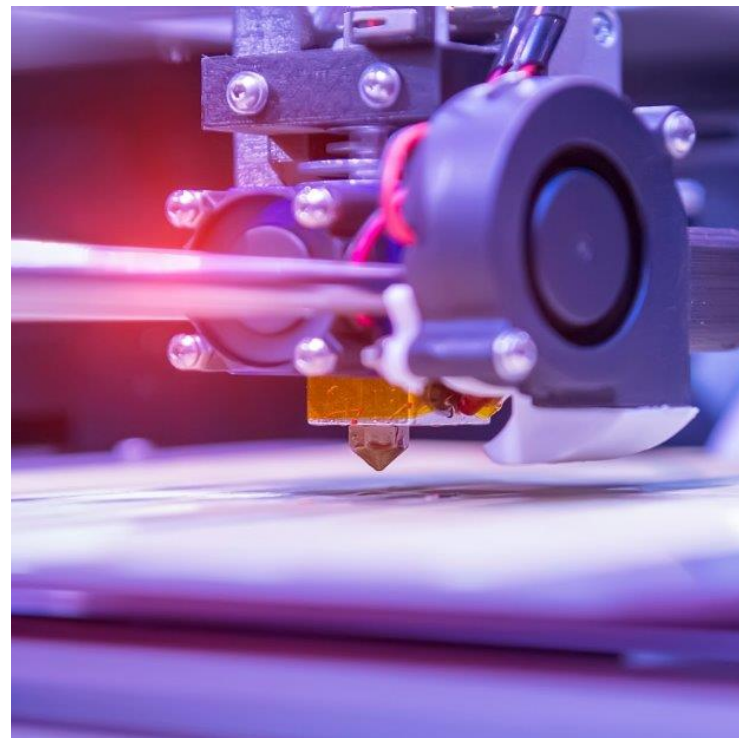
AI & data

Enhance competitiveness thanks to smart automation and virtualisation solutions



Industrial metaverse

Accelerate the setup of production lines or the training of operators



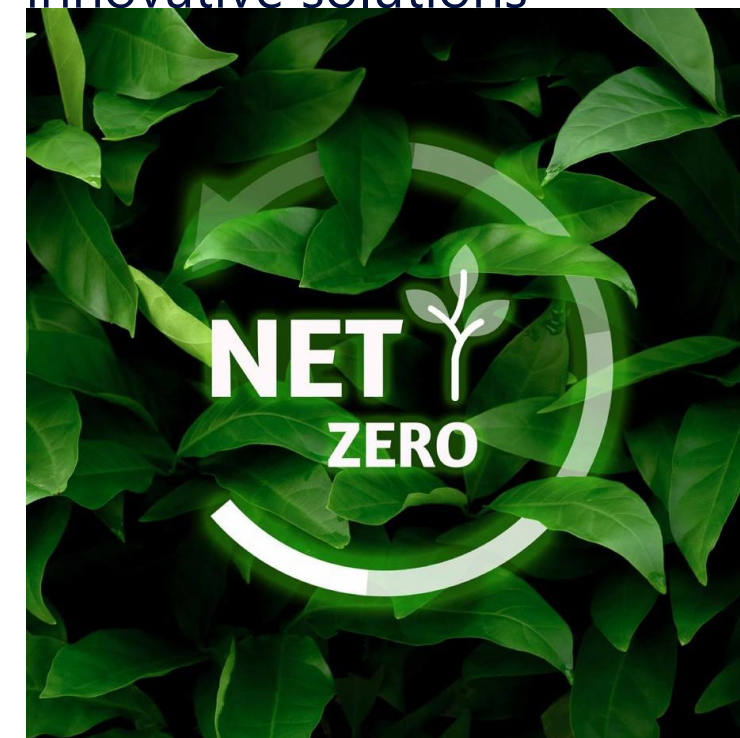
Circular economy

Unlock new business models addressing resource scarcity and environmental challenges



Net Zero industry

Achieve emission reduction targets through innovative solutions



Renewable energy

Local grid integration to limit fluctuating energy prices and stay competitive



Thank you!

eitmanufacturing.eu

