

2015 CECE-CEMA DIGIT@L MANIFESTO

Smart Regulation for Smart Machines:

5 EU priority actions for a successful digital transformation of the farm & construction machinery industries

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Digital technologies are set to transform our industries and products in the years ahead and will reshape the value chains that we service: agriculture and construction.

For our manufacturers and customers, this means considerable change, challenges and opportunities. New policy-making approaches are needed to accompany and support the truly transformative journey that lies ahead.

What we need is a smart European regulatory framework that helps to unlock the full potential of the digital economy and empowers our sectors to master the digital transition.

CECE & CEMA call on the EU to focus on the following five priority actions and:

- 1. Devise smart regulation for smart machine technology**
- 2. Create a true and reliable Digital Single Market**
- 3. Use relevant EU tools and programmes (CAP, European Investment Plan) to incentivize digital technology investment in agriculture and construction**
- 4. Improve broadband infrastructure in rural and urban Europe for rapidly growing data flows**
- 5. Support and encourage the development of digital skills**

1. Devise smart regulation for smart machine technology

EU legislation – existing and new – needs to become smarter in the sense that it structurally supports digital machine innovation, and does not act as an unintended barrier. Smarter therefore also entails more coherent and comprehensive approaches: the digital dimension and impact of EU legislation must be duly considered, for instance through **Digital Impact Assessments**. Other elements to be considered include:

- When developing new machines, **virtual machine tests** are already used as a smart digital alternative to conventional tests, saving valuable R&D resources and shortening developing time to respond more quickly to customers' needs. We need to make sure that relevant EU regulation and other policy instruments recognize virtual testing so it can replace, reduce and refine conventional tests – where appropriate – in the future.
- Digital technologies are re-defining the boundaries of **autonomous machine operation**. Regulations for product safety and occupational health and safety need to evolve with digital technological progress. For instance, the current requirement that a human needs to be in control of a vehicle at all times may need to be reviewed.

2. Create a true and reliable Digital Single Market

The digital economy needs a harmonized, European approach to achieve a high degree of interoperability and compatibility of digital technologies and systems, particularly those developed for professional and industrial needs in agriculture and construction. Users and manufacturers need a reliable, secure and trustworthy cyberspace. In line with this, European approaches are needed to establish clear and appropriate rules governing questions such as the

ownership, management and exploitation of digital data flows and the role and function of cloud-based platforms in the digital economy.

3. Use relevant EU tools and programmes (CAP, European Investment Plan) to incentivize digital technology investment in agriculture and construction

EU programmes, such as the Common Agricultural Policy (CAP) and the European Investment Plan have a role to play in supporting competitiveness and the uptake of innovation in the areas of farming and construction respectively. Under both programmes, measures and mechanisms could be designed to incentivize investments in digital technology.

4. Improve broadband infrastructure in rural and urban Europe for rapidly growing data flows

Adequate broadband infrastructure across the entire EU is an essential precondition for a successful and inclusive digital transformation. However, broadband access is still lagging behind dramatically in many rural and less densely populated areas of the EU. Renewed efforts are needed to avoid a future urban-rural digital divide and achieve the EU's target of ensuring that every company and household has broadband access at a speed of at least 30Mb/s by 2020.

5. Support and encourage the development of digital skills

The digital transformation will trigger a growing demand for highly skilled workers – both within our industries and the sectors we serve: agriculture and construction. Meeting this rising demand will be decisive in boosting industrial competitiveness and driving up productivity and sustainability in both sectors.

- Digital skills should be integrated more strongly into educational curricula and ongoing skill development programmes in relation to manufacturing, engineering, agriculture and construction.
- To tackle the estimated shortage of ICT professionals in Europe in the coming years, Member States should work to establish mutual recognition of ICT qualifications across the EU and promote cross-border mobility.
