

**UCIMU MEMBERS' MEETING: A POSITIVE 2023 FOR THE ITALIAN MACHINE TOOL INDUSTRY
2024 SLIGHTLY DOWN. SLOWDOWN IN ORDER INTAKE IN THE FIRST SIX MONTHS**

Barbara Colombo completed her term of office.

President-elect for 2024-2025 is Riccardo Rosa (Rosa Ermando Spa, Rescaldina, Milan)

Cinisello Balsamo, 10 July 2024. **The year 2023 proved favourable** for the Italian machine tool, robot and automation industry. However, **the new production record** was due only to the **excellent export performance; domestic demand dropped**.

With these results, **the Italian industry of the sector was confirmed**, once again, among the key players of the international scenario, where it came in **fifth place in the world ranking of production and fourth in that of exports and consumption**.

The forecasts for 2024 are for a moderate decrease in production: the positive export trend is countered by a reduction in domestic deliveries, which are affected by the weakness of domestic demand. On the other hand, **the slowdown in order intake in the first part of the year is the result of the uncertain context, both in Italy and abroad**.

This is the framework summarised by the president of UCIMU-SISTEMI PER PRODURRE, **Barbara Colombo**, this afternoon, during the **Members' Meeting**, which was also attended by the president of CONFINDUSTRIA (Italian Industrial Federation), **Emanuele Orsini**, interviewed by **Simone Spetia**, Radio 24.

THE FINAL FIGURES 2023

According to the final figures compiled by the Economic Studies Department & Business Culture Centre of UCIMU, in 2023, the **Italian production of machine tools, robots and automation systems set a new record, attaining 7,615 million euro**, thus recording a **4.6% increase** versus 2022. The outcome was solely due to the excellent performance achieved in the foreign market: **exports reached the record value of 4,223 million euro, corresponding to 21.8% more than in 2022**.

Consumption decreased by 7.8% to 5,816 million euro, penalising **Italian manufacturers' deliveries, down by 11% to 3,392 million euro**, as well as imports, down by 3% to 2,425 million euro.

The export/production ratio was back on the rise, from 47.6% in 2022 to 55.5% in 2023.

In 2023, the main export markets for the Italian product offering were the United States (567 million euro, +17.5%), Germany (359 million euro, +17.2%), China (286 million euro, +26.6%), France (247 million euro, +28.2%), Poland (215 million euro, +14.5%), Turkey (211 million euro, +70.9%), Mexico (195 million euro, +133.1%), Spain (130 million euro, +9.4%), India (117 million euro, +77%) and the United Kingdom (85 million euro, +44.1%).

The **utilisation rate of production capacity** was still high, showing a **slightly decreased** annual average, **down from 86.6% in 2022 to 86.2% in 2023**. The **order portfolio** also highlighted a **moderate** drop, standing at **7.3 months of guaranteed production** versus 8 in the previous year.

The sector turnover amounted to 11,012 million euro.

FORECASTS 2024

Based on the forecasts made by the Economic Studies Department & Business Culture Centre of UCIMU, the year **2024 will show a slight contraction for the Italian machine tool, robot and automation industry, whose performance will nevertheless remain at medium-high levels**. The moderate decline recorded by all major economic indicators should be counterbalanced by the growth of exports, which should set a new record.

Production should reach 7,450 million euro (-2.2%). Exports, still expected to grow (+3%), should achieve a new record of 4,350 million euro.

The worst trend will be that of **domestic deliveries (-8.6%), which should stop at 3,100 million euro**, penalised by the **reduction in domestic consumption, (-7.1%) falling to 5,405 million euro**. Imports should also record a downturn, standing at 2,305 million euro (-4.9%).

On the other hand, in the first half year, the order collection of Italian manufacturers marked time. In the first six months of 2024, the UCIMU index went down by 17.3% compared to the same period of the previous year: -18.7% domestic orders; -16.2% foreign orders. This lacklustre outcome was mainly due to the general conditions of instability in Italy and worldwide.

COMMENTS AND PROPOSALS ON INDUSTRIAL POLICY

Transition 4.0 and 5.0

Barbara Colombo, president of UCIMU-SISTEMI PER PRODURRE, stated: “After a really striking two-year period, marked by a double-digit growth for all the main economic indicators, the year 2023 was confirmed as favourable for the Italian industry of the sector, which set a new production record. However, the positive result was exclusively due to the great performance of exports that recorded a real upsurge”.

“This exploit proves, once again, the flexibility of Italian enterprises, capable of rapidly reorienting their business towards the most dynamic markets. However, – added the president – at the same time, it highlights the clear weakness of the Italian market, which had already started to creak by the end of 2022”.

“After all, the trend of the order intake in these last six months confirms the weakness of demand, which both in Italy and abroad, is affected by the instability of the context. For the domestic market, even if this slowdown is partly expected, considering the exceptional expansion in the last two years, it is also true that the uncertainty about **Transition 5.0** weighted on the result”.

“The long wait for the measure to become operational and the lack of implementing decrees created a double negative effect. On one hand, they caused the **suspension of purchasing decisions** by users, waiting for the measure to become clear. On the other hand, they have, at least partially, **obscured the availability of Measure 4.0**, which is still in force, but which has “gone into oblivion” for many operators.

“With the entry into operation of Transition 5.0, which we hope will arrive within days, Italian manufacturing companies will have the opportunity to choose whether to operate with one or the other measure, well aware that 5.0 combines digital transformation and energy saving, whereas 4.0 continues to focus exclusively on the digital aspect. And there will be a remarkable ceiling of resources available, i.e. about 13 billion euro in total: 6.4 billion euro are the estimated resources for 4.0, whereas 6.3 billion euro are the certain resources for 5.0 from the REPowerEU fund”.

“However, the point is that, if it does not become operational immediately, Transition 5.0 risks seeing a substantial part of possible benefits vanish. The compressed timeframe between the availability of the measure and the deadline for delivery and interconnection of machinery (set for December 2025), disadvantage Italian manufacturers, who specialise in super-customised products and have production times of about 6-8 months”.

“Even in consideration of the Government’s promise to work in support of Made in Italy, **we think that this slowness is a real own goal, because, in fact, it risks favouring especially importers with large warehouses”.**

“For this reason, I believe that, once Transition 5.0 is operational, CONFINDUSTRIA should immediately intervene with the authorities, so that the possibility of using the funds allocated by Europe for this measure can be extended to 2026”.

Availability of skilled personnel

State-of-the-art machines need people capable of managing, programming and operating them. But they also impose a significant reorganisation of company activities, requiring innovative approaches even for those figures that are not directly linked to production.

“That is why UCIMU has strengthened - and will do so even more in the future - its commitment to UCIMU Academy, a project including all the initiatives dedicated to reducing the mismatch between job demand and supply, including degree thesis prizes, co-operation with ITS (Higher Technical Institutes) and all the work we carry out during our exhibitions”.

“Among these, there is ROBOTGAMES, the new robotics and automation contest for young people from high schools, who will present their robotic automation prototypes, with application to the world of industry. ROBOTGAMES will make its debut at BI-MU, the trade show for the sector, scheduled to take place at fieramilano Rho next October. The jury will have to choose the 3 best among the 10 finalist teams. These are enthusiastic young people from all over Italy. It is an excellent message for all of us, who work in the high-tech world: new generations are ready to follow us and work hard, applying their creativity to industry. We entrepreneurs have to be more and more careful to understand their aspirations, to approach and involve them”.

Internationalisation

“The United States, China, India, Vietnam and Mexico, obviously in addition to the European Union: these are the countries to which we devote special attention. Exporting is our way of being present in these markets, but it cannot and should not be the only one. We still have to improve on this. In response to this need and driven by the Association, **networks of enterprises** have been created, aggregating different companies of the sector based in markets that are considered as particularly attractive. To date, we have two networks: ITC India, which has been active for over 10 years, joined by IMT Vietnam last year”.

“Structuring ourselves to be really competitive on the global market is a long process. For this reason, - said **Barbara Colombo** - it is important that **the authorities strengthen the resources allocated to support the internationalisation activities of companies**, which include incoming missions of foreign operators, international trade fairs held in Italy, visit tours of Italian enterprises and forums abroad presenting the most attractive sectors of Made in Italy. But I also think of the initiatives with SACE to cover export activities and with SIMEST to finance foreign development projects, as well as participation in international trade fairs around the world”.

“Moreover, – concluded the president of UCIMU – if we observe the giants around us, we have to be aware that the size of companies and also that of countries do not play in our favour. **That is why our belonging to the European Union will be more and more important**: within the EU, we can contribute to steering programmes, directives and economic-industrial plans to the extent that we will be able to take part in strategic tables at all levels”.

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