



FEM Bulletin

Quarterly publication of the European Materials Handling Federation
Issue 2021/04



“

I am excited for the logistic 'revolution' we are going through. These changes, although not easy to manage and can present challenges, create giant possibilities for many companies.

Somebody said that 70% of the jobs for 2030 do not yet exist and if I look to stow, today 40% of our turnover is from products we didn't have 5 years ago.

I am convinced that these trends will accelerate over the next five years. Innovation and people fueling our growth, is really what should keep us awake.

Jos De Vuyst - FEM President & CEO of stow





“

The pandemic has spurred e-commerce and with it the digitisation and automation of an entire industry.

Digital transformation and the steadily increasing level of automation will remain a decisive differentiating factor in intralogistics in the future. ”

Gordon Riske, CEO of the KION GROUP AG



Industry Leaders take the floor

FEM launches a series of interviews with materials handling industry leaders who share their experience and outlook on a sector in deep transformation

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FEM News

FEM General Assembly

FEM members met on 9th November 2021 in Milan. Organised by AISEM, the meeting was the first opportunity for FEM members to meet since late 2019.

The General Assembly took a number of important decisions, amongst which:

- The adoption of a 2022 Work Programme that includes the reallocation of certain priorities, as a result of the members' survey conducted during the summer
- The adoption of a fixed budget that includes a structural decrease of secretariat time (and related costs) as well as an increase of membership fees. Both actions aim at gradually closing the financial deficit caused by the loss of some revenues (membership, tradeshow sponsorships) combined with an extremely busy policy agenda
- The adoption of a variable budget that will provide additional resources for FEM to carry out advocacy work on key policy files (machinery, batteries, AI and data)
- The adoption of updated Operating Rules

Whereas the regulatory environment in which FEM companies will operate in the next decade is being set now, these decisions aim at ensuring that FEM remains strong to effectively defend the European materials handling industry's interests.

#FollowFEM Campaign



On 6 October 2021, FEM kicked off his #FollowFEM campaign on [Twitter](#) and [LinkedIn](#). FEM also introduced a range of short interviews with key personalities in the materials handling industry, providing personal insights into experiences and activities in our sector.

The aim of this campaign is to encourage people to learn more about:

- our channels,
- our association,
- our members,
- and the wide range of activities within FEM

Want to help us spread the word? FEM secretariat can provide graphic materials and draft texts to help you disseminate the campaign to your network. With your support we can continue to grow FEM and make our voice heard! STAY TUNED!

Industry Leaders interviews

FEM has launched a series of interviews with materials handling industry leaders. The aim is to give the floor to prominent representatives of our sector for them to share their experience and outlook on the transformation our companies are undergoing. The first two interviews were published in October and December (see below). They will continue in 2022 on a bi-monthly basis with the intention of portraying

Interview with Jos De Vuyst (October 2021)



Jos De Vuyst, FEM President and CEO of stow details how he began his career in logistics, how the COVID-19 pandemic has transformed the industry and what he sees (and hopes) for the future. The full article [HERE](#)

Interview with Gordon Riske (December 2021)



Gordon Riske, President of the FEM Industrial Trucks Product Group and CEO of Kion, tells us about his journey from the Lawrence Institute of Technology in Southfield/Michigan to his position of CEO of KION GROUP AG in Frankfurt (Germany), the challenges our industry is facing, and how digitisation and automation will determine the future of logistics in warehouses, in [this article](#).



Task forces activities

Machinery Directive

Since September 2021, the FEM Machinery Directive Task Force has been actively working on preparing and promoting proposals for amendments on the Machinery Products Regulation. As a first step, FEM completed its analysis of the amendments tabled by the rapporteur in the [draft report](#) released in mid-October. Subsequently, we issued amendment proposals on the key issues for the materials handling sector (including FEM's opinion on the Rapporteur's report) on 22 October. The FEM priority amendments were then shared with all the members of the Internal Market Committee in the European Parliament and specifically requested follow-up meetings with the key players (namely the rapporteur and shadow rapporteurs). As a second step, we finalised a comprehensive table of amendments which included FEM's views on other non-critical issues. In addition to the EP members, FEM distributed both files (the priority amendments and the comprehensive table) to the permanent representatives in Brussels which we had already been in contact with.

In terms of follow-up meetings, the FEM secretariat scheduled calls with the office of the rapporteur (on 9 November) to clarify the amendments on priority issues, and also with the Spanish permanent representative (on 3 December).

Following the publication of all the [amendments](#) tabled in the IMCO Committee in mid-November, FEM is currently finalising its input on selected issues on which amendments have been proposed. In cooperation with Orgalim, FEM will draw attention to some horizontal issues on which we have specific amendments to support and reject (definition of AI systems, technical specifications, conformity assessment procedure for high-risk machinery, transitional provisions, Annex I list). Additionally, the FEM contribution will also focus on some specific issues in Annex III regarding autonomous mobile machinery (including requirements for safety software, source code etc.), risk of contact with live overhead power line, seating etc.).

As for the next steps in the European Parliament, the rapporteur and shadow rapporteur will have a first technical meeting to discuss draft compromise amendments in January 2022. It is then foreseen that the IMCO committee will hold a debate on the final compromise amendments on 28 February. In terms of the Council developments, a Presidency progress report was released on 12 November 2021, taking stock of the discussions that have taken place so far in the Council Working Party on Technical Harmonisation. More information can be requested from the [Secretariat](#).

Batteries Regulation

In the last months, the revision process of the Battery Directive – to become a Regulation – keeps FEM and its TF Battery busy. As a reminder, at the end of 2020, the European Commission published its [proposal for a new Regulation on batteries and waste batteries](#), which will be replacing and repealing the current Batteries Directive (2006/66/EC). Through this new regulation, the European Commission aims that all batteries placed on the EU market become sustainable, high-performing and safe all along their entire life cycle. According to the proposal, the materials handling industry will be highly impacted since many new information and sustainability requirements will apply to industrial batteries – the relevant category for our equipment.

The FEM Task Force Battery has been closely following the legislative process in the Council and European Parliament, which started in early 2021. In addition, FEM submitted amendment proposals, which many have been taken up by members of the Parliament: new definition of ‘automotive battery’, postponement of the carbon footprint declaration requirement, limited information on the state of health and expected lifetimes of batteries, take back and collection systems, requirement to be a qualified operator for the repurposing and remanufacturing of batteries, postponement of the entry into force, etc.

In the last weeks, FEM analysed the full set of amendments tabled by members of the Environment Committee (over 1400 amendments). FEM is now working on comments and recommendations about amendments to influence ongoing discussions and drafting of compromise amendments.

For recall, on the side of the European Parliament, the procedure and allocation of competencies suddenly changed at the end of April. The Parliament Committee on Environment, Public Health and Food Safety Committee (ENVI) was appointed as leading committee, instead of the Internal Market and Consumer Protection Committee (IMCO). In addition, the Internal Market (IMCO) and Industry (ITRE) Committees were assigned as ‘associated committee’; the Transport and Tourism Committee (TRAN) remains for opinion. About concrete consequences, this means that the Rapporteur for this file is Simona Bonafè (S&D, IT) instead of Antonius Manders (EPP, NL). Competences are shared in four Committees and we have been reaching out the four committees according to their responsibility, multiplying the contacts and work. In addition, each committee follows a different timeline.

Three Committees ([IMCO](#), [ITRE](#) and [TRAN](#)) already voted and adopted their opinions, while the ENVI Committee will vote on 26 January 2022. The vote in plenary session is now expected around February 2022.

In the Council, lively discussions are taking place in the Working Party on Environment. Although Member States have discussed most provisions of the Commission’s proposal, they did not find compromises. As highlighted in the [progress report](#), there are still many disagreements, especially on the scope (some Member States wish to subject battery cells to the same obligations as for batteries), sustainability requirements, Battery Management System (lack of clarity and potential duplication of data and information requirements) and supply chain due diligence obligations (to ensure consistency with the announced legislative initiative on sustainable corporate governance). The Slovenian Presidency will coordinate with the incoming French Presidency in order to ensure the smooth progress of the file in the Council. In the meantime, you are kindly invited to share the FEM position paper with your national authorities.

The delay in both EU institutions will also postpone the finalisation of the future regulation, which is now expected for mid-2022. This raises concerns for its entry into force of this new regulation that is scheduled in January 2022.

Digitalisation

1. Activities of the Task Forces

The Secretariat of the Digitisation Task Force continues to follow up on the FEM position paper prepared by the Digitisation Task Force on the European Commission proposal for a “Regulation on a European Approach for Artificial Intelligence” (COM(2021)206 final). While the European Parliament has finalised its internal discussions on the assignment of leading Committees for the examination of the Commission text and the preparation of amendments, we had a first meeting (via videoconference) with Mr. Torlach Brant, Assistant of MEP Deirdre Clune (Ireland/EPP), shadow Rapporteur on the AI Regulation Proposal. He gave an initial reaction to our position paper:

- The classification of high-risk AI system is the headline issue under discussion. He sees the final Regulation in its final shape as including less products classified as high-risk. However
- Annex II (list of harmonisation legislation) and Annex III (list of high-risk AI systems) will be reviewed.
- He agrees with the need to clarify the relationship with the Machinery Regulation proposal and with the GDPR. In this context he is interested to hear (also from our perspective) what the aspects overlapping with the Machinery Directive are
- He indicated that some standardisation bodies already are reacting to the Commission Proposal.
- He agrees with the need to involve industry representatives in the case of specific new risks posed by the AI Regulation, even though the AI Board foreseen in the proposal will mainly serve as a coordinative body.

A face-to-face meeting is scheduled on 10 January with Mr Dan-Flaviu Nechita, assistant of MEP Dragoș Tudorache (Romania/RENEW), co-Rapporteur for the LIBE Committee. Mr Tudorache is also the Chair of the European Parliament’s Special Committee on AI (AIDA).

The Secretariat continues to explore the feasibility of meetings with other relevant MEPs and/or their assistants and is starting the drafting of proposed amendments for the MEPs. A meeting with the French Presidency has also been requested.

2. Legislation

a) Future Data Act

The presentation by the European Commission of a Data Act proposal has been delayed from Q4 2021 to Q1 2022:

- With the future proposal, the Commission’s intention remains to unleash the 80% of data that is currently not being used across all sectors of the economy.
- However, the proposal will have a complex relation to other legislation, notably with the Data Governance Act, making data sharing mandatory, with the GDPR on data portability and differentiation of personal and non-personal data, as well as the ePrivacy Regulation on data generated from terminal equipment.
- A key point still under internal discussion within the Commission services: under which conditions will companies have to share their data with governments (B2G)?

b) Proposed Artificial Intelligence Act

Progress has occurred at different paces on the discussions within the EU Council and the European Parliament on the analysis of the Commission proposal for an Artificial Intelligence Act.

In the EU Council:

On 3 December, the Slovenian Presidency provided to the Telecommunications Council both [a progress report](#) and a [partial compromise proposal](#) on the text, addressing issues such as the scope, definitions, prohibited AI practices and the classification of high-risk AI systems.

Work has been focusing on the core definition of AI, social scoring and other prohibited practices, remote biometric identification, use cases that fall under high-risk AI, general purpose AI systems and the impact on the law enforcement authorities. Other issues identified by the Presidency as requiring further analysis include requirements for high-risk AI systems, the responsibilities of various actors in the AI value chain, compliance and enforcement, and the relationship with other legislation.

In the European Parliament:

The analysis of the Commission proposal has been considerably delayed for internal political reasons, namely the dispute over the designation of a lead Committee, which should designate a lead Rapporteur. After months of discussions, the following agreement was reached early December:

- IMCO (Internal Market and Consumers Protection Committee) and LIBE (Civil Liberties, Justice and Home Affairs Committee) will “co-report” with Mr Brando Benifei (Italy/S&D) Rapporteur for IMCO and Mr Dragos Tudorache (Romania/RENEW) rapporteur for LIBE
- ITRE (Industry, Research and Energy Committee) will have exclusive competences on SMEs and shared competences on Article 3 (definitions) and data-related topics; ITRE designated its Rapporteur for Opinion on 15 December MEP Eva Maydell (Bulgaria/EPP)
- JURI (Legal Affairs) and CULT (Culture and Education Committee) will also share some responsibilities (to be fine-tuned).

This decision would significantly diminish the influence of the JURI Committee and in particular of one of its AI experts Axel Voss/Germany/EPP, who recently published the draft of a comprehensive [own-initiative report](#) for the Special Committee on Artificial Intelligence in a Digital Age (AIDA) that:

- Considers that the EU has fallen behind global competition; should not fall further down as regards a human-centric approach to AI and
- Analyses EU deficiencies and makes proposals on how to address them: harmonised legislation limited to high-risks applications; data sharing, infrastructures including 5G, digital skills, international cooperation including on military aspects

The report shows support to industry, hoping to “create a technology friendly framework for the future innovation and competitiveness of Europe.”

Meanwhile, the ENVI Committee presented on 10 December its [draft Report](#) for Opinion prepared by MEP Susana Solís Pérez (Spain/Renew), focusing on the following arguments:

- The Rapporteur fully agrees with the need for a horizontal approach as she considers that common rules must be established to provide a cross-cutting approach to all sectors. AI systems will become increasingly embedded into products and services therefore requiring such a horizontal approach.

- Overall, the AI act should preserve European values, facilitating the distribution of AI's benefits across society, protecting individuals, companies, and the environment from risks while boosting innovation and employment and making Europe a leader in the field.
- The Rapporteur is concerned that the AI Act does not provide sufficient protection to the environment and proposes that the AI Act shall include the environment among the areas that require a high level of protection. This will entail the classification as "high risk AI" of all those systems that can have major negative implications on the environment
- The Rapporteur for the opinion considers that the AI Act shall not just cover users but must expand its scope to end recipients too.

c) Digital Internal Market

On 14 December, the IMCO (Internal Market and Consumer Protection) Committee adopted its Report on the [Digital Services Act \(DSA\)](#) proposal. The DSA will define clear responsibility and accountability rules for providers of intermediary services, and in particular online platforms, such as social media and marketplaces. Very large online platforms (VLOPs) will be subject to specific obligations due to the particular risks they pose in the dissemination of both illegal and harmful content. This draft legislation aims to create a safer digital space in which users' rights are protected, including through rules to tackle illegal goods, services, or content online, enhance the accountability and transparency of algorithms, and deal with content moderation. Including provisions on risk assessments, risk mitigation measures, independent audits and so-called "recommender systems" (algorithms that determine what users see) in the DSA would also help to tackle harmful content (which might not be illegal) and the spread of disinformation.

The European Parliament will vote on the amended DSA proposal in its January 2022 Plenary session. The approved text will then become Parliament's mandate for negotiations with EU governments, planned to start under the French Presidency of the Council in the first semester of 2022.

On 15 December, the Parliament voted in Plenary its report on the [Digital Markets Act \(DMA\)](#) proposal, aiming to blacklists certain practices used by large platforms acting as "gatekeepers" and to enable the Commission to carry out market investigations and sanction non-compliant behaviours. This allows to begin negotiations with the Council on rules setting out what big online platforms will be allowed to do and not do in the EU.

The proposed regulation will apply to the major companies providing so-called "core platform services" most prone to unfair business practices. These include online intermediation services, social networks, search engines, operating systems, online advertising services, cloud computing, and video-sharing services, which meet the relevant criteria to be designated as "gatekeepers." MEPs also included web browsers, virtual assistants and connected TV within the scope of the DMA.

More details are to be found in the [press release](#) published by the European Parliament.

Outdoor Noise

The European Commission will start working on a Delegated Act to update Annex III of the Outdoor Noise Directive (OND). An FEM call with Iván Arias Roldan, the policy officer in charge of the OND in DG Grow, and his colleague Mauro Soares, allowed to get a better understanding of the process and timeline.

The Commission wants to simplify the Annex III by including reference to standards, instead of detailed descriptions of test codes, which will facilitate future updates. The planned timeline and milestones are as follows:

- ❖ 17 February 2022: 1st Expert Group meeting to discuss first draft delegated act (product groups)
- ❖ May 2022: 2nd Expert Group meeting to discuss second draft (horizontal aspects)
- ❖ June/July 2022: 3rd Expert Group meeting to discuss / validate final draft delegated act
- ❖ Q3 2022: Commission internal validation
- ❖ Sept. / Q4 2022: public consultation
- ❖ Q1 2023: adoption of the delegated act
- ❖ Q1 2023: publication of the delegated act

FEM has already provided detailed input through previous positions and consultations. However, additional input can still be submitted by 20/01/22. FEM will be closely involved throughout the process under the supervision of the TF Outdoor Noise.



EU legislative issues

General Issues

New Legislative Framework

In the context of the study supporting the NLF evaluation, the consultancy CSES (Centre for Strategy and Evaluation Services) published the [online targeted questionnaire](#) which will be open until 21 January 2022. The European Commission also released the [public consultation](#) on the EC better regulation website, which stakeholders can respond to by 7 March. Whereas the targeted survey is designated for interested parties who have knowledge about the NLF and NLF-aligned legislation, the public consultation is open to all EU citizens.

The purpose of the consultation process is to:

- Assess the effectiveness, efficiency, relevance, coherence and EU added value of certain aspects of the New Legislative Framework (NLF).
- Provide an informed assessment of the NLF's current performance, covering the alignment of harmonisation legislation with the NLF principles and common reference provisions, conformity assessment, the accreditation framework for conformity assessment bodies, and CE marking.

- Consider the NLF's ongoing fitness for purpose, in particular given market trends related to digitalisation and the circular economy.

The FEM Technical and Regulatory Committee will prepare the FEM feedback on both consultations in the coming months.

Standardisation Strategy

The latest SMAART meeting on EU standardisation took place on 3 December. The main agenda points covered: an update on recent developments in standardisation at the international level (notably on EU relations with US and China); an update on the situation with regard to the publication of harmonised standards in the OJEU and the performance of the HAS Consultants system; a discussion on the current draft standardisation request for the delegated act on cybersecurity in support of the Radio Equipment Directive; and finally, an update on the new proposal for a General Products Safety Regulation, particularly regarding the standardisation aspects.

On the point of the harmonised standards' publication, industry representatives called for more transparency and predictability of the Commission's internal processes. It also highlighted that the cumbersome process triggered by the preparation of the Annex Z (describing to what extent the harmonised standard covers the relevant legislative requirements) increases the overall duration of the development of harmonised standards. The Commission explained that the reasons for refusing the publication of a harmonised standards are mostly legal in practice, and often concern the Annex Z. The industry stressed the importance of a sufficiently early engagement of HAS consultants, increasing their capacity in terms of providing more resources and improving communication in the overall system and increasing the o. Regarding HAS consultants, the Commission is currently preparing the launch of a public tender for the management of the system as of 2022.

On the EU Standardisation Strategy that was awaited before the end of 2022, according to the latest information, it is supposed to be released on 2 February 2022. The Strategy is intended to address five priority areas such as: the functioning of the European standardisation system; EU's international leadership in standards-setting; better anticipation of standardisation needs; pre-normative activities and research; education/skills/expertise. Several actions will be announced in these five areas, to be implemented by the relevant actors, following the publication of the Standardisation Strategy. The actions may also include a more structured approach to the stakeholder engagement in standardisation, as well as to the interlinks between standardisation and the work in other strategic areas.

For further information, the full Commission report of the SMAART meeting and presentation slides can be requested from the [secretariat](#).

Trade

EU-US

Following the set-up of the EU-US Trade and Technology Council, the Commission has launched a consultation platform to collect stakeholder's input to shape transatlantic cooperation. The [TTC Futurium platform](#) is open to everyone after a simple registration. It allows interested parties to have

their voice heard in the work of the ten specific TTC Working Groups. Via this website, they can not only feed in their views, but also receive important information and updates on the progress of the different working groups.

Moreover, on 31st October, the EU and the US agreed to start discussions on a Global Arrangement on Sustainable Steel and Aluminium. The US will also remove Section 232 tariffs on EU steel and aluminium exports up to past trade volumes, whilst the European Union will suspend its rebalancing measures against the United States. Finally, President Biden and European Commission President von der Leyen also agreed to pause the bilateral World Trade Organisation disputes on steel and aluminium. More information is available [HERE](#).



Publications & events

FEM 2022 Calendar

22 - 23 March 2022: FEM Spring EC & GA meetings in Dortmund, at the occasion of the [2022 IFOY award](#). On 22 March afternoon, participants will be invited to a visit of the TEST CAMP Intralogistics followed by a FEM dinner in the evening.

22 - 23 September 2022: FEM Congress hosted by [AISEM](#) in Italy on the following reduced format:

- 22/09 – full day - Product Groups' meetings, followed by a dinner for all participants
- 23/09 – half day – A Policy Review and a short statutory General Assembly meeting
- End on 23/09 at lunchtime

Joint Industry Statement on priorities for the Machinery Products Regulation



FEM, together with CECE, Orgalim, BusinessEurope and 14 other EU trade associations, has issued a joint statement on the proposed Regulation on Machinery. The statement summarises points that the EU machinery industry unanimously sees as essential to maintain the successful balance between safety and innovation offered by the current Machinery Directive. More information [HERE](#)

This newsletter is reserved to FEM members

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