

**MACHINE TOOL ORDERS / IN THE FOURTH QUARTER 2017 A STRONG INCREASE (+21.5%)  
GOOD RESULTS ABROAD (+6.2%), EXCELLENT OUTCOME IN THE DOMESTIC MARKET (+86.2%).****ON A YEARLY BASIS, IN 2017 DOMESTIC MACHINE TOOL ORDERS GREW BY 45.9%**

**Massimo Carboniero**, President of UCIMU: *"The data of 2017 orders evidence the effectiveness of the provisions included in the Plan "Industry 4.0". Super- and Hyper-Depreciation, New Sabatini Law and tax deduction for Research & Development expenses boosted the investments in Italy. Now, it is essential to push professional education 4.0, which is necessary to drive the innovation in our factories".*

The UCIMU index of machine tool orders keeps growing: in the fourth quarter of 2017, it registered a 21.5% upturn compared with the same period of the previous year. The absolute value of the index was 162 (base 100 in 2010).

The overall outcome was due both to the **positive performance of foreign orders, but mainly to the excellent results achieved by the Italian manufacturers in the domestic market.**

**In particular, foreign orders increased by 6.2%** versus the period October-December 2016. The absolute value of the index amounted to 138.4.

**On the domestic front, the Italian machine tool manufacturers recorded an 86.2% rise in the order collection** compared with the fourth quarter of 2016. The absolute value of the index reached 285.4.

**On a yearly basis, the total index** registered a **13.7% growth** versus 2016. **Foreign orders went up by 4.7%**, totally recovering the downturn reported last year. **Domestic orders highlighted a 45.9% upturn**, as a testimony to the great propensity to invest shown by the Italian market.

"The trend of the order collection in 2017 - stated **Massimo Carboniero**, President of UCIMU-SISTEMI PER PRODURRE - highlights two phenomena that are highly positive for the manufacturing industry: on one hand, the index evidences the recovery of foreign orders, which, on the contrary, had been unsatisfactory in 2016; on the other hand, it reports the excellent performance of investments in the manufacturing systems in our country, where users increasingly acquired state-of-the-art technology for their companies during 2017".

"With regard to the domestic market – continued **Massimo Carboniero** – the provisions included in the Plan Industry 4.0, and in particular Super- and Hyper-Depreciation, had a clear impact on the trend of sales and on the order collection. Considering the latest survey (concerning the period October-December 2017), the order collection will have a direct consequence on the GDP in 2018. This year is announced as really positive, also thanks to the new measures implemented by the Government authorities".

"The confirmation of the two main incentives of the Government programme Industry 4.0, i.e. Super- and Hyper-Depreciation, also in the Plan "Enterprise 4.0", included in the Budget Law 2018, - despite a small amendment to the Super-Depreciation (whose incentive coefficient changes from 140% to 130%) - is the evidence that the Government authorities have well evaluated the action scope started one year ago, thus understanding that an abrupt and sudden interruption would have been really deleterious for the whole system".

"On the other hand, the modernisation process of industrial plants and their digital upgrade has just begun and it cannot disregard **the active and central role that "man" will have in the next phase of widespread use of digital and interconnected technologies within the factories**".

**"The professional education of young people with regard to Industry 4.0, even through school courses as an alternative to university, such as for example the (ITS) higher education technical college, as well as the continuous professional education of those who already work in a company are essential elements today to ensure the enterprises' future. The companies need employees capable of programming and managing machines 4.0 and digitalised processes, even with a view to an increase in the employment of young people"**.

"For this reason, the decision of our authorities to provide for a specific action in terms of professional education is undoubtedly the most appropriate and timely response that might have been offered, in addition to the incentives of Super- and Hyper-Depreciation and the New Sabatini Law".

"However, it should be stressed – affirmed **Carboniero** – that the **provision concerning the professional education and update of the staff with regard to Industry 4.0, as it is provided for, may result as not completely effective** for two different reasons. On one hand, because it must be activated by national or territorial collective agreements: this is a procedure that may hinder the SMEs that have no trade union representatives within their organisation. On the other hand, it may not be effective, because the tax credit provided for the expenses incurred by the enterprises investing in professional education 4.0 is applicable only to the work

hours of the employees involved in this activity. Therefore, the part regarding the clearly relevant costs for external teachers is not included. The risk is that the choice of the teachers may be affected more by the fee than by the value of the offered service”.

“Finally, on the foreign front, - pointed out **Massimo Carboniero** - in order to support the recovery of orders that already started in 2017, it may be useful to consider the improvement of the new Co-operation Law, (which also allows private people to take part in projects linked to the Italian Co-operation), because, with the current drafting of the law, the SMEs have difficulties in applying it”.

“With the present drafting, the law presents a complicated procedure for the companies that intend to take part in co-financing projects of our Ministry of Foreign Affairs, in the nations specified as developing countries. After signing an agreement with the Agency for Co-operation, - related to a project that should ensure wellbeing and, if possible, a boost to the economic growth of the area and in the protection of the environment - the enterprises may obtain financing for a variable amount of the total investment value. The most delicate point regards the calls for proposals and the procedures that are quite intricate”.

“Actually, we should consider an easier and more direct system, which may bring benefits both the subjects involved: our SMEs and the local populations, **thus transforming the simple supply of machines and technology into a real promotional action of Made in Italy abroad**”.

“On the basis of what was carried out by the Ministry of Foreign Affairs with UCIMU, - concluded **Carboniero** - it would be useful to incentivize the development of technological centres equipped with Italian machinery in the developing areas of the world. The technological centres would work as "professional-education points" for the local populations, who would learn one or more jobs by attending courses held with Italian technology and machines. In the mid-term, these centres may become real show-rooms of the "Made in Italy" manufacturing. The local populations would be the best spokesmen for our product offering for possible future investments. These are mid-long term plans, which can however give concrete results since their start and, most of all, ensure a real development of the hosting territories, in line with the principle implied in the co-operation actions”.

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