



## The Situation

The Draghi Report and the EU Competitiveness Compass are addressing low economy growth rates and declining competitiveness of the EU by proposing policies in the following three areas:

- Closing the innovation gap: Reducing market fragmentation, addressing risk capital constraints, and increasing innovation support.
- A joint roadmap for decarbonisation and competitiveness: Promoting investments in efficient, low-emission manufacturing and the circular economy.
- Reducing excessive dependencies and increasing security: Enhancing supply security and reducing energy consumption.

Recent developments have increased the urgency to

- establish a new European defence cooperation, especially in improving the European defence technological and industrial base (EDTIB) and to
- strongly support Ukraine.

In addition, the EU continues to pursue its objectives in strengthening our social model, sustaining our quality of life and partnering with the world.

## The Problem

EU institutions need to identify cost efficient policies supporting the targets above. These policies need to yield results in a very short period of time and at the same time put the EU economy on a new and positive long term trajectory.

## The Solution: Agile Manufacturing

Agile Manufacturing uses innovative, transportable Agile Machines for various manufacturing tasks, connected to an Agile Cloud with AI Agents that provide detailed operating instructions. The Agile Machines are provided by an Agile Cloud operator under pay-per-use contracts.

Agile Manufacturing targets SMEs and Start-ups allowing them to undertake complex manufacturing tasks without capital investment or expert knowledge.

This approach reduces financial risks and fosters innovation in SMEs and start-ups – supporting all the EU targets above – in all member states, not just in developed ones.

Continuous data aggregation in the Agile Clouds improves AI algorithms, leading to better machinery and materials, ultimately resulting in a quantum leap in EU manufacturing capabilities.

Agile Manufacturing will play a key role in strengthening Europe's military industrial base (pre-conflict and in-conflict) and in supporting Ukraine's reconstruction.

The document outlines policy options for EU institutions to promote Agile Manufacturing by:

- Establishing EU-based Agile Clouds with AI models.
- Incentivizing the development and use of Agile Manufacturing Systems.
- Providing grants and loans to support machine investors and SMEs.
- Running an allocation scheme to ensure efficient deployment of Agile Machinery.
- Using the Ukraine Investment Framework to support investments in Agile Manufacturing, even during the ongoing conflict.

## About Agile Manufacturing Society e.V.

Founded in Barcelona in 2024 by seven Europeans, the Frankfurt based German Verein informs the public and policymakers about Agile Manufacturing and promotes its inclusion in teaching and training and in research and development.

The document is available on the Agile Manufacturing Society's website: <https://agile-manufacturing-society.de/>