



'25  
MANUFUTURE  
CONFERENCE

# MANUFUTURE CONFERENCE

—  
Keynote speech

Maurizio Gattiglio

Chairman MANUFUTURE-ETP

Brussels - 23<sup>rd</sup> October 2025



MANUFUTURE CONFERENCE '25

Welcome to our 14th MANUFUTURE CONFERENCE



**'25  
MANUFUTURE  
CONFERENCE**

**23rd October 2025 - BRUSSELS**



**22 years of MANUFACTURING CONFERENCES**



# What is Manufacturing for Europe ?

Manufacturing represents Europe's main source of prosperity

**15%** GDP    **2.1m** Enterprises

**32m** Jobs    **€7.2tn** Revenue

... but in today's critical geopolitical scenario is much more than that



...much more than prosperity (between the anvil and the hammer)



October 12, 2025 **Jacob Helberg** US  
Under Secretary of State for the  
Economy, former top executive at  
Palantir

**The common enemy is China.** I find it interesting that Europe is focusing so much on the United States and on Euro-American competition over the Digital Services Act or other Brussels regulations. In my opinion, Europe is thinking too much about American companies and not enough about the unfair competition from China

**I hope you in Europe discuss much more about how to reverse the trend toward deindustrialization** and how to address China's unfair practices, because its companies are really hurting you. In the auto sector, Shenzhen-based manufacturer BYD is putting enormous pressure on German carmakers.

**America cares deeply about manufacturing. With a vast digital capacity to publish content online, you can't make bullets or tanks.** We need an industrial base in America, and frankly, Europe needs it too.

**You too need to seriously reflect on your ability to rebuild industry** and on what kind of trade relations you should have with Beijing

# Materials and China monopoly



China dominates the global rare earths sector, holding nearly half of the world's reserves and controlling the majority of mining and refining capacity.

● China ● Rest of the world

Reserves (all rare earths) - 2024



Mine production (all rare earths) - 2024



Refined production (all rare earths) - 2022



Refined production (rare earth magnets) - 2024



Refined production (heavy rare earths) - 2023



By Vijdan Mohammad Kawoosa and Jackie Gu • Sources: United States Geological Survey; International Energy Agency; AlixPartners; Center for Strategic and International Studies; Government of Canada

The **Chinese Ministry of Commerce** has announced **new restrictions on the export and processing of rare earth elements**, which are essential for the production of many technological devices. **The new measures require exporters of rare earths to obtain a government license even for items produced abroad with the goods they export, prohibit exports to companies that manufacture weapons, and limit exports to semiconductor and microchip producers.** China controls 70 percent of the global production of raw rare earths, and 90 percent of processed rare earths and rare earth-containing magnets (one of their main applications).



**“China's latest moves to use global supply chains as a weapon represent a direct threat to global trade and the European Union's industrial base.”**

**Kaja Kallas** High Representative of the European Union for Foreign Affairs and Security Policy

## ... pacifism or rearm (si vis pacem, para bellum)

### April 26, 2025 Emmanuel Macron: Europe — It Can Die

The United States of America has two priorities. America first, which is legitimate, and China. Europe is not a geopolitical priority in the coming years and decades. And so, yes, the days of Europe buying its energy and fertilizers from Russia, outsourcing to China and relying on the US for security are over.

**The aim of a European defense industrial strategy is to produce more, faster, in Europe.**

Finally, of course, **there can be no defense without a defense industry.** In this respect, we need to transform the urgent need to support Ukraine into a long-term effort. We have a long way to go, because we have under invested in our own production for decades.



## ... a difficult neighbor



Russia has “no interest in war with anyone, including the frigid old Europe,” Europe’s “weak economy” and cultural decline make military conflict unnecessary.

**European nations as “divided and vulnerable” and their leaders are lacking the strategic thinking.**

September 29, 2025, **Dmitry Medvedev** Deputy Chairman of the Russian Security Council

**Russia developed an efficient military innovation ecosystem**, turning lessons learned in the field into operational guidelines, training programs, and industrial decisions enabling a series of technological innovations, **integrating civilian startups and universities into military research.**

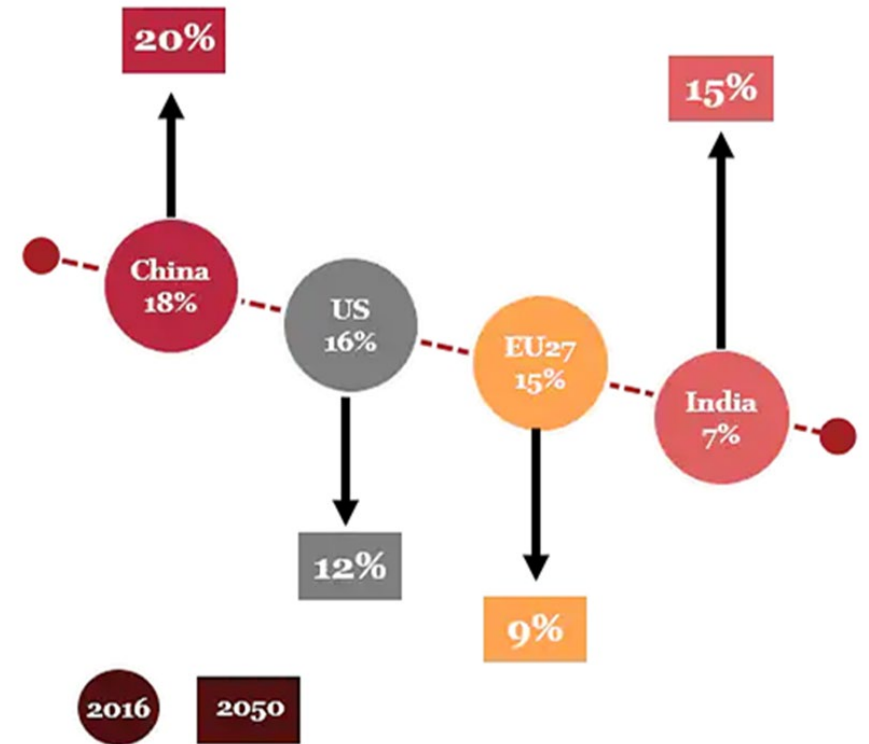
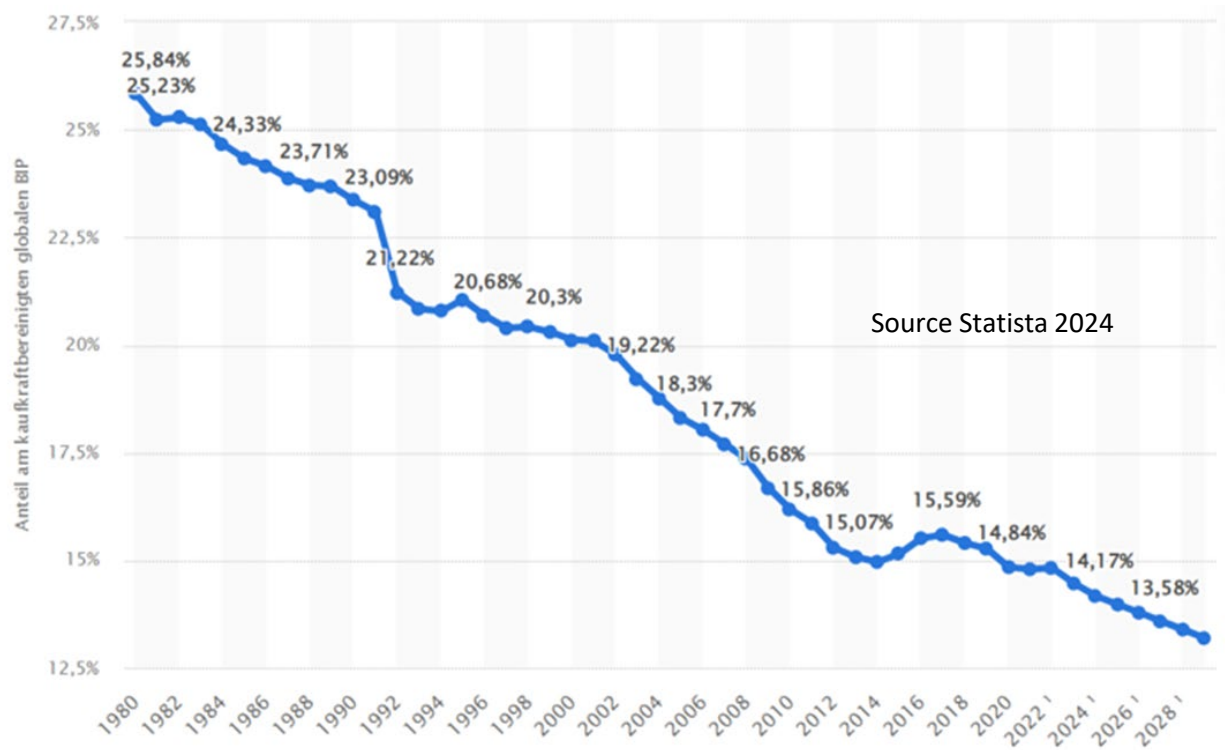
**Dara Massicot**, Senior Fellow in the Russia and Eurasia program at the Carnegie Foundation, former senior researcher at the Rand Corporation and senior analyst at the U.S. Department of Defense

# Manufacturing in Europe in dying ?



## Evolution of Manufacturing contribution to European GDP and forecasts

Share of world GDP (PPPs) from 2016 to 2050...



Sources: IMF for 2016 estimates, PwC analysis for projections to 2050

Europe is under increasing pressure not only from its main competitors US and China



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## AI Plus conducive to driving industrial upgrading

August 28, 2025 - **AI Plus** guideline says that, **by 2027, China will make achievements in the extensive and deeper integration of AI in six key sectors**, with the penetration rate of new-generation intelligent terminals and AI agents surpassing 70%, and this figure will exceed 90% by 2030.

**By 2035, China will enter a new stage of intelligent economy and intelligent society.**



# China Industrial leadership (AI and robotics)



In 2024 in China have been installed **300.000 industrial robots**, more than the rest of the World. Of them 3/5 are produced locally (Source Internation Federation of Robotics).

In 2028 China will produce **108 M units of humanoid robots** (Source Morgan Stanley)

***China's competitive advantage lies in its ability to produce on a large scale. The country is already "far ahead of the West in terms of high-volume production of AI robots, including humanoids." This advantage is "set to expand over the next 3-5 years before starting to decrease."***

*Adam Jonas - Morgan Stanley*



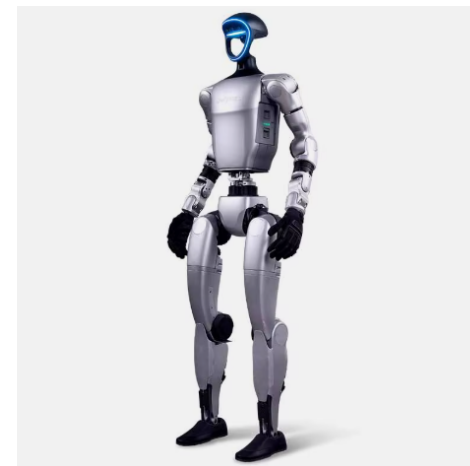
Unitree Go2 Robot Dog | Quadruped Robotics for Adults Embodied AI

**€1,390.90-2,651.39**

Min. order: 1 piece

CN

[Hangzhou Yushu Technology Co., Ltd.](#)



Unitree G1 Edu Advanced-U2 Humanoid Robot Artificial Intelligence Ai Robot Humanoid

**€13,908.92-46,421.00**

Min. order: 1 piece

Easy Return

**Verified Supplier** CN

[Evergreen Chemicals Co., Ltd.](#)

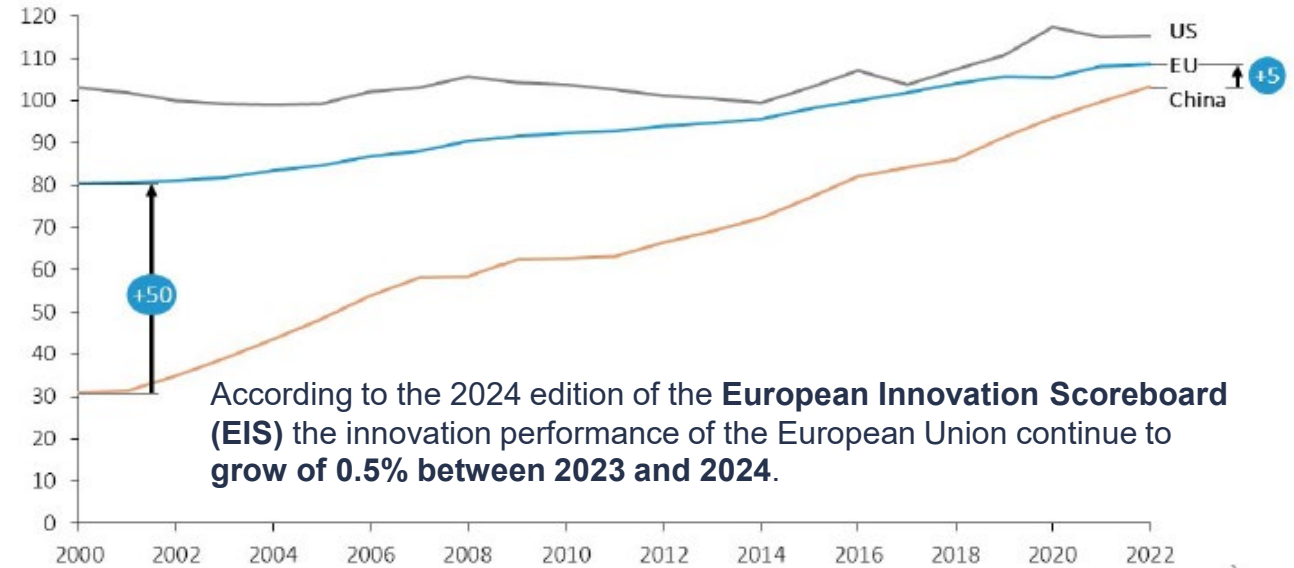


# Europe's Weak Research & Innovation (Draghi's Report)



Evolution of the innovation performance of the EU and its main competitors

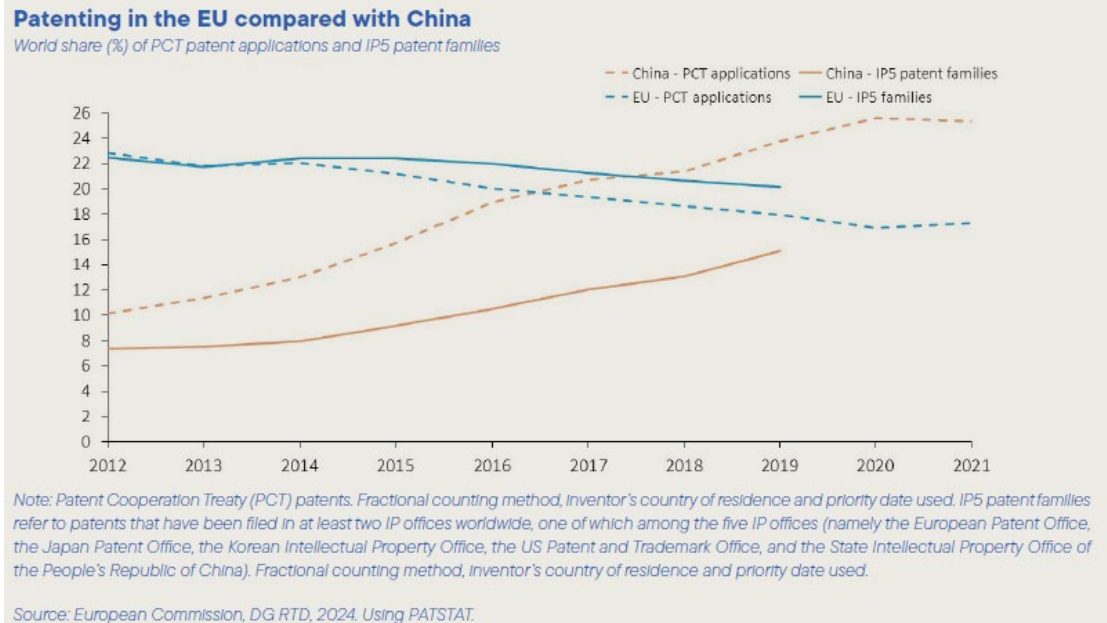
European Innovation Scoreboard



According to the 2024 edition of the **European Innovation Scoreboard (EIS)** the innovation performance of the European Union continue to grow of **0.5% between 2023 and 2024**.

Source: European Commission, 2004.

**Research and innovation (R&I) are the main drivers of productivity and people's well-being.** Innovation generates positive externalities, with new technologies serving as stepping stones for further innovation. This creates cumulative positive spillovers that justify a role for government intervention to promote research and innovation. **R&I will be critical for financing Europe's welfare system as the EU population ages and its labor force shrinks.** The importance of R&I for productivity growth will increase in the future as a result of the accelerating pace of global innovation during the past decades.



## The emergence of China as an innovation superpower



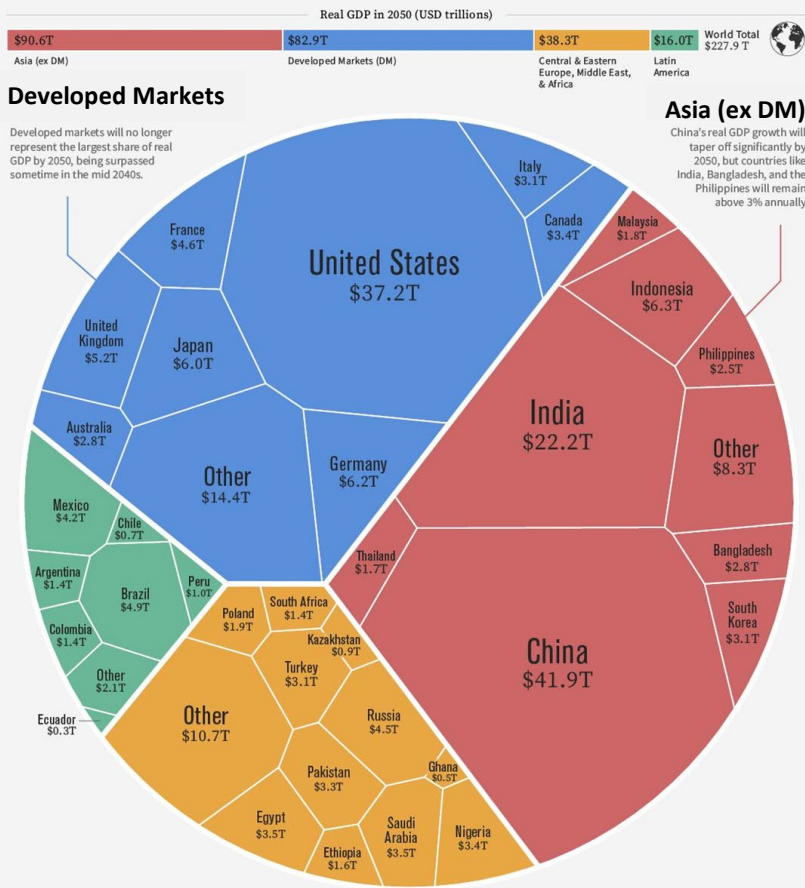
## THE ROOT CAUSES OF EU'S WEAK INNOVATION PERFORMANCE

1. Lower private R&D spending
2. Less effective public R&D spending
3. The fragmentation of the EU innovation ecosystem
4. Not enough academic excellence at the top
5. The underdevelopment of the EU's innovation clusters
6. The underdeveloped financial system is a barrier to the creation and scale-up of innovation companies
7. Regulatory, legal and bureaucratic barriers.  
Insufficient commercialization of research results
8. Low diffusion of innovation



# The Global Economy in 2050

Here's how global GDP will be distributed in 2050, according to projections from Goldman Sachs.



## Exhibit 4: Our Projections Imply that China, the United States, India, Indonesia, and Germany Will be the World's Five Largest Economies in 2050

World's largest economies (measured in USD)

Ranking	1980	2000	2022	2050	2075
1	United States	United States	United States	China	China
2	Japan	Japan	China	United States	India
3	Germany	Germany	Japan	India	United States
4	France	United Kingdom	Germany	Indonesia	Indonesia
5	United Kingdom	France	India	Germany	Nigeria
6	Italy	China	United Kingdom	Japan	Pakistan
7	China	Italy	France	United Kingdom	Egypt
8	Canada	Canada	Canada	Brazil	Brazil
9	Argentina	Mexico	Russia	France	Germany
10	Spain	Brazil	Italy	Russia	United Kingdom
11	Mexico	Spain	Brazil	Mexico	Mexico
12	Netherlands	Korea	Korea	Egypt	Japan
13	India	India	Australia	Saudi Arabia	Russia
14	Saudi Arabia	Netherlands	Mexico	Canada	Philippines
15	Australia	Australia	Spain	Nigeria	France

Source: Goldman Sachs Global Investment Research

## Real GDP in 2050 (USD trillions) comparison



Germany 6,2



Indonesia 6,3



France 4,6



Egypt 3,5



Italy 3,1



Nigeria 3,4



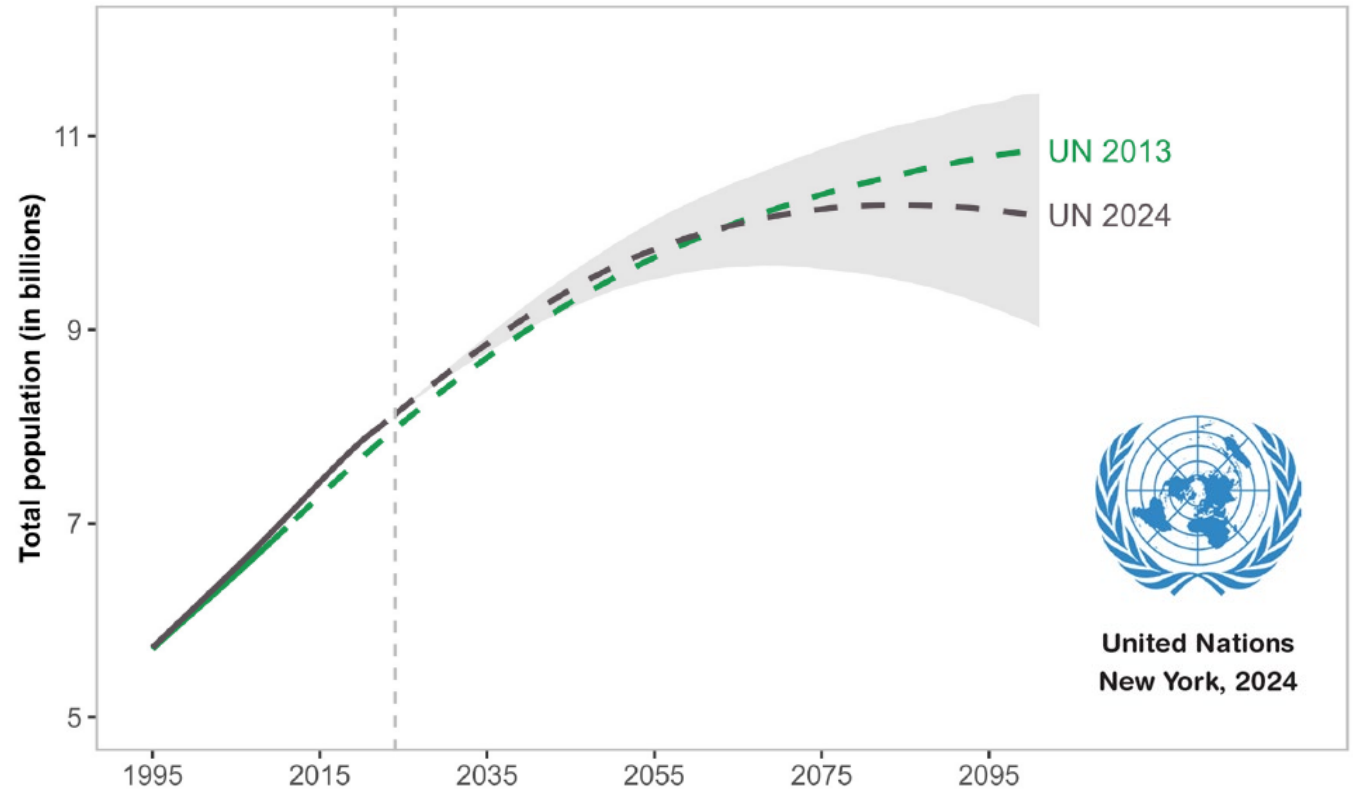
The world's population is expected to continue growing over the coming 50 or 60 years, reaching a peak of around 10.3 billion people in the mid-2080s, up from 8.2 billion in 2024.

**After peaking, the global population is projected to start declining gradually, falling to 10.2 billion people by the end of the century.**

The estimated likelihood that the world's population will peak within the current century is very high (with a probability of 80 per cent).

**Figure 1.1**

Global population, according to United Nations (*World Population Prospects*) in 2013 and 2024, 1995–2100



Sources: United Nations (2013; 2024a).

# Population forecast 2100



The demographic changes projected for the 21st century represent an additional factor of instability and structural transformation. By the year 2100, China’s population could shrink from over 1.4 billion to about 650 million, directly impacting its labour force and the sustainability of its economic model. It has been estimated that China will lack 50 million skilled workers in 2050. Sub-Saharan Africa is expected to grow by more than 2 billion people, posing enormous challenges in terms of development, urbanization, and political stability. **The United States will experience moderate growth, primarily supported by skilled immigration** and relatively higher fertility rates compared to other developed countries – latest developments might, however, reduce skilled immigration and lead the US on a different path. **Europe will face a structural demographic decline,** exacerbated by low birth rates and a fragmented approach to migration management.

Groups, countries and areas	Total population (thousands)			
	1995	2024	2054	2100
World	5,717,157	8,126,964	9,796,364	10,186,608
China	1,214,590	1,420,909	1,221,005	638,685
Germany	81,877	84,696	77,403	70,917
Italy	57,659	59,435	50,483	35,496
Sub-Saharan Africa (growing through 2054)	563,007	1,224,913	2,206,340	3,342,751
Northern Africa and Western Asia (growing through 2054)	236,825	458,912	693,377	894,223
United States of America	266,865	344,480	383,767	421,007

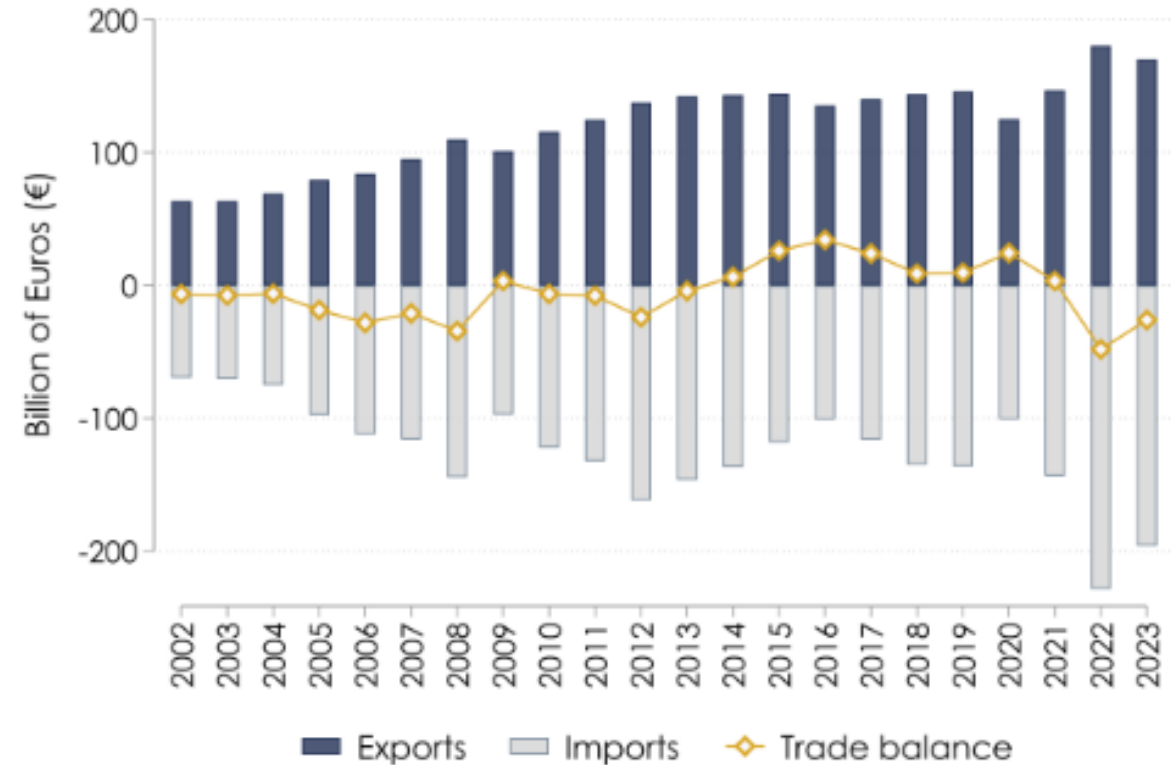
## Africa the great opportunity



Africa represents today about 17% of the global population, but contributes only 2% of global manufacturing and not even 4% of global trade. AUC/OECD (2024) estimates that the continent will achieve annual GDP growth of 3.5% in 2024, rising to 4% in 2025, making it one of **the fastest-growing regions in the world**.

Together with improvements in education outcomes, **this presents unprecedented opportunities** for economic transformation and sustainable growth. Nonetheless, an outstanding challenge is the fact that around 82% of Africa's workforce remains in the informal sector, holding back productivity and economic potential in the labour market.

Figure 1: Evolution of trade flows: EU-Africa (2002-2023)



Sources: Eurostat, Extra-EU trade by partner [ext\_lt\_mainneu; last update: 16/09/2024]; own elaboration.

## Africa the great opportunity

In 2023 about one-third of African exports go to the EU making the EU the largest export partner, followed by Asia. In terms of individual countries, China is the most prominent export destination. **In terms of African imports, Asia with about 35% is far more important than the EU with slightly above 20%.**

**The trends indicate that there occurs a strong shift of African trade towards Asia, and specifically China as a result of the Belt and Road Initiative.**

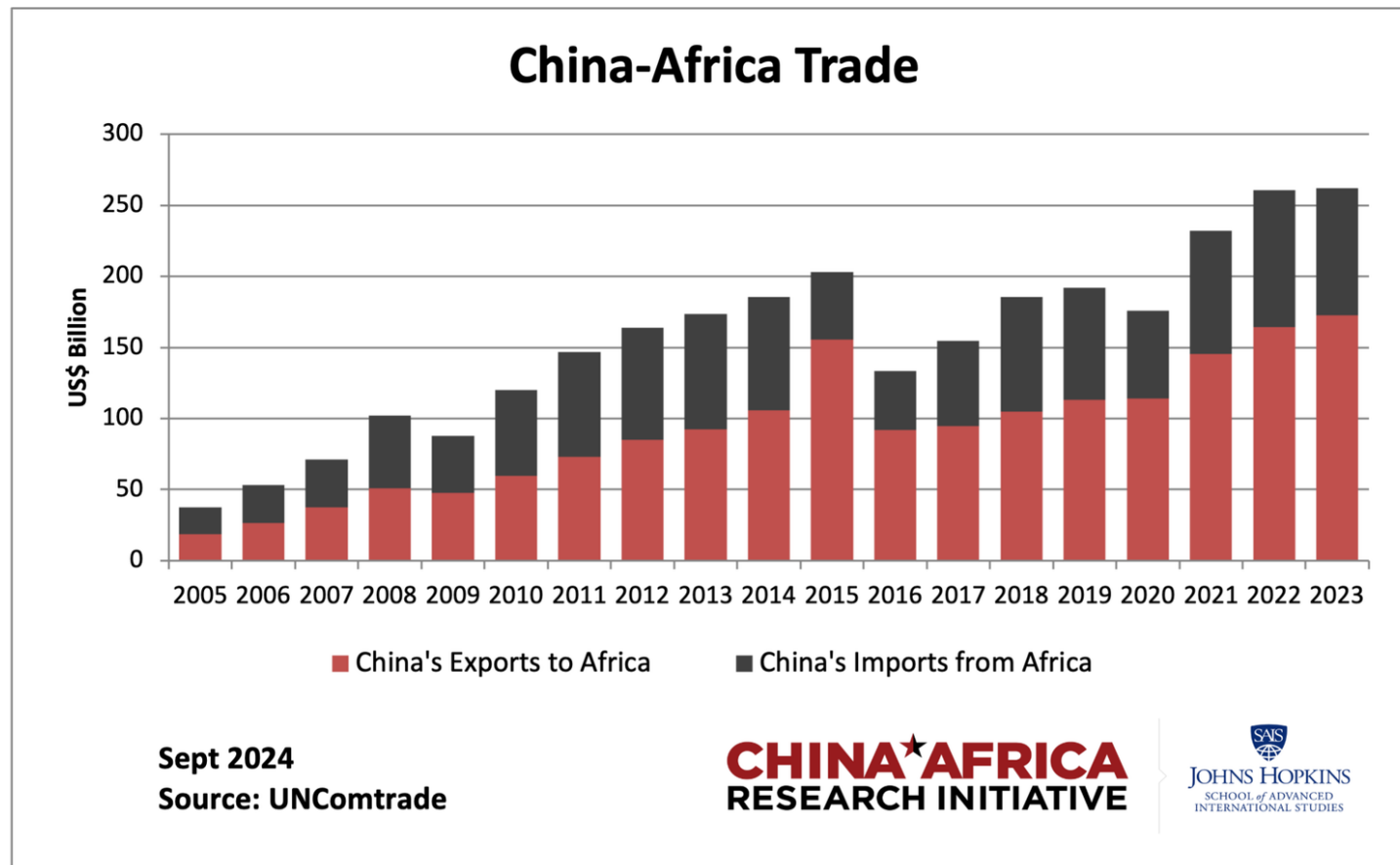
Thus, in line with making it a promising area for trade expansion, the **EU should continue its efforts to further reduce one-sided dependencies on critical raw materials (CRMs), where Africa can play a major role.**



## Africa – China trading



China's total imports and exports with African countries have increased from less than 50 million US\$ in 2005 to 250 million US\$ in 2023. **At the end of 2024, China has been Africa's largest trading partner for 16 consecutive years, and so far the growth of bilateral trade has continued to accelerate in 2025.**





On the trade front, at the last **China-Africa Cooperation Forum** in **Changsha** on **11<sup>th</sup> June 2025**, China's officers has declared that they ready to negotiate an economic partnership agreement for shared development with all 53 African countries that have diplomatic relations with Beijing. **The agreement will extend the exemption from customs duties to 100 percent of goods imported from these countries.** The least developed countries will benefit not only from the tariff exemption regime, but also from facilitations in the market and in inspection, quarantine and customs clearance procedures. The document also relaunches the implementation of the Second Ten-Year Plan of the African Union Agenda 2063 and defines 2026 as the Year of Exchanges between the Peoples of China and Africa.

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## Why China has been a growing study destination for African students

Scholarships and soft power among reasons for increasing numbers, but graduates return with mixed reviews.

China has established itself over the years as an increasingly popular destination for African citizens: in 2018 there were around 81,000, making China the second most popular destination for students on the continent after France. China often offers scholarships as part of its Soft Power on the continent. Wen Wen, a researcher at Tsinghua University, says that "**higher education is becoming part of geopolitics**". Beijing is thus investing in its African leaders of the future.

On **October 1, 2025**, China launched the **K Visa** for STEM professionals with at least a bachelor's degree. The visa requires no employer sponsorship, allows research, study, and entrepreneurship, and features multiple entries and longer validity.









# THANK YOU



DIE METALLTECHNISCHE INDUSTRIE  
Österreichs stärkste Branche



“Tomorrow belongs to those that can hear  
it coming”

David Bowie

