22 May 2026

POSITION PAPER

Inclusion of the maritime manufacturing industry in the European Industrial Accelerator Act

SEA Europe calls for the explicit inclusion of the European maritime manufacturing industry within the scope of the Industrial Accelerator Act (IAA) and its immediate application to this industry.

The global shipbuilding market is characterised by strong state-backed and distortive competition, particularly in Asia, where public financing schemes are often linked to local building and equipment requirements for vessels. By contrast, European public procurement and public support mechanisms currently lack equivalent EU preference criteria, placing European shipbuilders and maritime equipment manufacturers at a structural competitive disadvantage, in addition to the existing distortions caused by subsidies and state backed financing and growing trade obstacles.

Although public procurement represents a limited share of total European shipbuilding orders, they are within highly strategic lead markets, notably for naval, offshore, research, passenger transport and other advanced working vessels that drive innovation, decarbonization, industrial investment, and technological leadership across the entire maritime ecosystem. The immediate inclusion of the European maritime manufacturing industry in the IAA union origin requirements is fully consistent with the rationale and ambitions set out by the European Commission in the EU Industrial Maritime Strategy, which was published simultaneously with the IAA.

KEY MESSAGES

SEA Europe calls on the European Parliament and the Council of the EU for immediate inclusion of the maritime manufacturing industry within the scope of the Industrial Accelerator Act rather than waiting for its review.

SEA Europe asks for the inclusion of European maritime manufacturing industry among strategic sectors for industrial manufacturing acceleration areas (Annex I) as well as within the scope of Union origin requirements for public procurement and public support schemes.

SEA Europe emphasizes that while the EU remains committed to open and rules-based trade, the access to the European public procurement market and public support schemes should be assessed sector per sector regarding legal and actual reciprocity.

The inclusion of the maritime manufacturing industry in the IAA Union origin requirements should be aligned with a double approach, combining a minimum percentage of EU content and a list of strategic technologies for lead markets for the European maritime manufacturing industry identified as such currently and in the future. Non-price criteria for the procurement of specialised vessels in strategic maritime, renewable energy and underwater projects should also be included.

The Maritime manufacturing industry in the IAA – A logical first step

On 4 March, the European Commission published the European Industrial Maritime Strategy. It recognised "*the maritime manufacturing industry as strategic sector for Europe's autonomy, resilience, defence, economic security, prosperity, decarbonisation, and the sustainable use and protection of its EEZs assets*." The Industrial Maritime Strategy also stresses that public procurement should help foster demand for clean, innovative Made in EU goods and services, including key strategic vessels in lead markets.

It is essential to preserve and reinforce shipbuilding capabilities and maritime supply chains in Europe to avoid excessive dependence on third Countries, particularly on Asia, across the entire European maritime manufacturing industry. Beyond its strategic and economic importance, the shipbuilding industry sustains critical industrial know-how, technological expertise, and highly skilled employment throughout Europe.

Building on this, the maritime manufacturing industry faces challenges that are comparable in nature to those identified in other strategic sectors already covered by the IAA, notably the automotive industry. In both sectors, global competition is increasingly shaped by strong third-country industrial policies, including localisation requirements, targeted subsidies, and preferential access to public procurement and preferential financial instruments. These measures directly influence investment decisions, supply chain configuration, and ultimately the geographic location of production.

However, the challenges faced by the maritime manufacturing industry are both more severe and more longstanding. Shipbuilding has for decades been subject to a progressive and persistent shift of production capacity towards Asia, supported by, ambitious state-backed strategies. These include not only direct subsidies and financing schemes, but also systematic local content requirements and coordinated industrial policies covering the entire value chain—from shipyards to equipment suppliers. Moreover, the shipbuilding industry lacks trade defence tools to combat unfair competition. As a result, European shipbuilding has been exposed to structural competitive distortions over a much longer period, leading to a significant erosion of market share in certain segments and industrial capacity.

In the long term, European actors in the maritime manufacturing industry cannot rely solely on their technology leadership. The largest shipbuilding nations continue to support their industries both directly and indirectly, I.E. China with its Action Plan for the Green Development of the Shipbuilding Industry (2024-2030) and South-Korea with the K-Shipbuilding Strategy (2024). These initiatives are now increasingly targeting the localisation and nationalisation of maritime equipment across the maritime value chain. Also, European equipment manufacturers are forced to move their production next to the main Asian shipyards, facing increased local and unfair competition.

Furthermore, shipbuilding is characterised by long investment cycles, highly specialised production systems, and strong interdependencies across the European supply chain. This makes it particularly sensitive to the absence of predictable demand and fair competitive conditions. Without targeted measures to address these distortions the risk is not only further loss of production, but also a gradual weakening of Europe's technological leadership and industrial resilience in a sector that is critical to its economic security, strategic autonomy, security and defence.

In several other countries, the lack of strong civil shipbuilding ecosystem led to less resilient and less efficient value chain for military shipbuilding as well. Those countries are now compelled to

invest billions to boost their maritime manufacturing industry. As examples, the US[1] and the UK[2] respectively, are now launching the Maritime Action Plan and the National Shipbuilding Plan to revive their own shipbuilding industries and reduce their dependence on foreign nations. To break the vicious cycle of European shipowners increasing their orders outside the EU, integrating the shipbuilding industry in the IAA represents a first incentive for them to consider buying European. Without sufficient shipbuilding activity in Europe, equipment manufacturers will gradually lose industrial capacity, innovation capabilities, and skilled workforce, increase their strategic dependencies and weaken the resilience of the entire European maritime value chain.

The inclusion of the maritime manufacturing industry within the scope of the IAA would not only be fully aligned with the EU's broader European Industrial Maritime Strategy objectives but also strengthen Europe's maritime industrial resilience and manufacturing base, thereby supporting the decarbonisation of maritime transport, whilst ensuring a level playing field in the face of further growing global distortions. A European preference in public procurement and public support schemes would send a first but powerful signal for the European maritime manufacturing industry as well as European shipowners.

[1] Maritime action plan, fev 2026 : Turning the Tide: Revitalizing the US Shipbuilding Industry
[2] National Shipbuilding strategy : https://www.gov.uk/government/publications/refresh-to-the-national-shipbuilding-strategy
[3] Maritime action plan, fev 2026 : Turning the Tide: Revitalizing the US Shipbuilding Industry
[4] National Shipbuilding strategy : https://www.gov.uk/government/publications/refresh-to-the-national-shipbuilding-strategy

A Double-Approach Methodology for the Inclusion of European maritime manufacturing in the IAA

SEA Europe proposes that the IAA explicitly extends Union origin requirements to all public procurement procedures involving vessels and maritime equipment that are financed, in whole or in part, by public funds at EU, national, or regional level in identified current and future lead markets. Beyond procurement, the requirement should apply equally to public support schemes within the scope of the IAA.

The guiding principle underlying this approach is: public money – also European funding – is taxpayers' money that must generate European industrial value. It is also fully consistent with the strategic objectives set out in the European Industrial Maritime Strategy (EIMS). However, this strategy should be complemented by legislation and the IAA represents the appropriate first legislative vehicle to extend the EIMS and IAA's logics to maritime manufacturing, which has until now remained outside the scope of comparable EU preference mechanisms.

SEA Europe hereby recommends the adoption of a double-approach methodology for assessing and enforcing EU content, mirroring the approach already established for the automotive sector under Annex III of the IAA. Combining an assembly criterion, a minimum value-content threshold, and category-specific sourcing requirements for critical technologies, is precisely the model SEA Europe proposes to adopt, with appropriate sectoral adjustments, to maritime manufacturing industry.

This methodology combines two complementary instruments:

1 — Minimum Percentage of European content

A minimum percentage of European content should be defined and applied to vessels and maritime equipment eligible for public procurement or public support. The precise threshold should be calibrated through a sector-specific impact assessment, considering the diversity of vessel types, equipment categories, and supply chain structures within European shipbuilding.

2 — Complementary List of Strategic Maritime Technologies

In parallel, a positive list of strategic maritime equipment and technologies should be established, for which EU-origin sourcing is required as a condition of eligibility under public procurement and IAA support schemes. This list should be established via a delegated act and subject to regular review to reflect technological evolution and emerging strategic priorities. Relevant stakeholders should constantly be involved in this process through a structured consultation mechanism.

Industrial investment cycles span decades, especially for shipyards. In this context, the absence of stable, rule-based demand signals from the public sector is a structural barrier to long-term capital commitment. A clearly defined framework combining a minimum EU local-content threshold with an explicit list of strategic technologies gives industry actors the predictability they need to plan supply chain development, expand production capacity, and hire and train skilled workers with confidence that the regulatory environment will hold.

European companies hold strong positions across several segments of the maritime technology value chain — e.g. decarbonised propulsion, advanced navigation systems, naval electronics, coatings, and energy management. These competences were built through sustained R&D investment, often co-financed by EU programs. Incentives in specific critical technologies in public procurement create the market pull necessary to translate that investment into commercial deployment at scale, ensuring that the regulatory-driven transition of the global fleet generates industrial and employment benefits within Europe rather than exporting them to foreign competitors.

Geographical Scope – Balancing Free Trade and Strategic Interests

SEA Europe stresses that the effectiveness of Union origin requirements in public procurement and public support schemes depends on a carefully defined geographic scope that genuinely reflects EU value creation. An overly broad definition could undermine these requirements by allowing non-EU economic interests to benefit disproportionately from EU public funding. The inclusion of third countries with Free Trade Agreements, should therefore be assessed on a sector-by-sector basis, considering sectoral reciprocity and fair competition for EU shipyards and maritime equipment manufacturers.

SEA Europe recognises that third countries having Free Trade Agreements (FTAs) with the EU may warrant consideration within the geographic scope of Union origin requirements. However, it cautions against any automatic or blanket inclusion, as FTAs differ significantly in their scope, level of reciprocity, and effectiveness of implementation and enforcement. Moreover, their implications for the maritime manufacturing industry may differ too. For example, despite the existence of an EU–Republic of Korea FTA, the Korean government continues to provide extensive state support to its shipbuilding industry, including subsidy schemes covering up to 60% of

construction costs and financial guarantees covering up to 95% of vessel financing, conditional upon construction taking place in Korean shipyards. Such measures create significant market distortions and undermine fair competition for European shipbuilders and maritime equipment manufacturers.

In this context, SEA Europe recommends that eligibility decisions be subject to regular review in order to reflect evolving market conditions, policy frameworks, and geopolitical developments.

Conclusion

SEA Europe fully supports the objectives set out by the European Commission in the European Industrial Maritime Strategy. European shipyards and maritime equipment manufacturers are globally competitive, particularly in high-value and technologically advanced segments. However, they operate in an international environment characterised by significant market distortions and asymmetries in public support.

To fully realise the ambitions of the Strategy, it is therefore essential to include European preference criteria in public procurement and public schemes, alongside clear and targeted incentives for shipowners. Such measures would help ensure that Europe's industrial strengths are effectively leveraged, encouraging shipowners to increasingly turn to European yards and reinforcing the competitiveness, resilience and long-term sustainability of the European maritime manufacturing industry.
Therefore, SEA Europe calls on the European Parliament and the Council of the EU to explicitly include the maritime manufacturing industry within the IAA applicable to public procurement and public support schemes and apply these provisions immediately instead of waiting for the IAA's review as currently proposed. Such inclusion and immediate application would fit in the logic of both the IAA and EIMS and ensure coherence with the EU's broader maritime, industrial, defence, and decarbonisation objectives.

SEA Europe furthermore recommends adopting a dual-approach methodology for the shipbuilding sector, inspired by the framework envisaged for the automotive industry. This approach should combine:

- a minimum threshold of EU added value for vessels benefiting from public procurement or public support; and
- a dedicated list of strategic maritime equipment and technologies that should be sourced from the European Union and allow for the security of the industrial value chain of the maritime technology industry.

This mechanism would help preserve critical industrial capacities, strengthen European supply chains, and support investment in innovative and sustainable maritime technologies.

In parallel, SEA Europe calls for a balanced and cautious approach regarding the geographic scope of Union origin definitions. While third countries having free trade agreements with the EU may be considered, their inclusion should be assessed on a sector-by-sector basis, considering reciprocity, fair competition conditions, security considerations, and the level of industrial distortions resulting from foreign state support.

Finally, SEA Europe urges EU institutions to ensure that the implementation of the IAA contributes to establishing a genuine level playing field for European shipbuilders and maritime equipment manufacturers. The objective should be to reinforce Europe's technological leadership, maintain highly skilled industrial employment, and secure the long-term competitiveness, resilience as well as strategic autonomy of the European maritime manufacturing industry.

SEA Europe *represents close to* ***100% of the European shipbuilding industry in 17 nations****, encompassing the* ***production****,* ***maintenance****,* ***repair****, and* ***conversion*** *of all types of ships and floating structures, commercial as well as naval, including the* ***full supply chain*** *with the various producers of* ***maritime systems****,* ***equipment material****, and* ***services****. At the International Maritime Organisation (IMO), SEA Europe is represented through CESA.*