



OPINION

European Economic and Social Committee

Maritime industrial strategy

An industrial strategy for the maritime technology sector
(own-initiative opinion)

CCMI/193

Rapporteur: **Anastasis YIAPANIS**
Co-rapporteur: **Christophe TYTGAT**

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Section responsible	Consultative Commission on Industrial Change
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Outcome of vote (for/against/abstentions)	206/2/4

1. Conclusions and recommendations

- 1.1 The EESC is writing this own-initiative opinion to acknowledge the lack of sectoral policy actions to support the challenges and needs of the maritime technology (MT) sector, and makes concrete proposals for immediate action to strengthen Europe's maritime resilience and strategic maritime autonomy and to regain global competitiveness.
- 1.2 The Committee is worried about the future of the MT sector in Europe, which is facing unfair competition, especially from Asia.
- 1.3 The EESC requests that MT be considered an EU strategic sector and its activities "critical infrastructure" as soon as possible and calls for a maritime industry strategy and enough dedicated resources in the EC's services. A sustainable European maritime strategy must take into account and reassess the ownership of European harbours and other related critical infrastructure.
- 1.4 The Committee calls for urgent measures that stimulate domestic demand for green and high-tech vessels, including an EU programme for fleet renewal and the retrofit of existing vessels in line with European Green Deal (EGD) goals, and for immediate investments in infrastructure and in alternative fuels.
- 1.5 The EESC requests specific clauses in bilateral and free trade agreements that ensure free market access for EU maritime companies, prohibit trade barriers, demand reciprocity and secure due diligence. If international negotiations are unsuccessful, the EU needs to consider unilateral actions to create leverage over its international competitors.
- 1.6 To ensure sustainable economic and social development, safeguard the EU's defence and strategic maritime autonomy and secure jobs and critical capabilities, the Committee believes that incentives should be provided, both for relocating production facilities to the EU, with EU-manufactured technologies, and for keeping supply chains and subcomponent production in the EU.
- 1.7 The EESC urges the EC and the Member States to implement large-scale reskilling, upskilling and vocational education and training (VET) programmes, with programme evaluation and skills certification and with the full involvement of social partners and academia, and requests financial support for the EU Pact for Skills¹ and for designated campaigns to make the sector attractive, including for women and young people.
- 1.8 The EESC calls for increased efforts to ensure a **just transition** for all workers and SMEs, to create and consolidate European Works Councils and to meet the highest international social standards in full compliance with EU legislation and ILO rules. The EESC believes that the European Shipbuilding Sectoral Social Dialogue Committee (SSDC) has an essential role to play in this matter and in strengthening the MT sector.

¹ [Pact for Skills](#)

- 1.9 Accessing bank loans and public financing is very difficult for MT companies, especially for SMEs. The EESC calls for EU taxonomy rules that support sustainable investments in the maritime sector, promote its inclusiveness and ensure legal certainty for technological investments.
- 1.10 The Committee demands that funds collected from infringements of FuelEU Maritime² and revenues from the EU Emission Trading Scheme³ be used to help finance also the waterborne sector⁴ and its supply chain, in particular the maritime technology sector. The EESC calls for an EU Guarantee Fund to be set up that facilitates access to finance for risk-intensive maritime investments.
- 1.11 The EESC believes that EU financing tools and access to the internal market should not be used by or granted to foreign companies that perpetuate social dumping and disrupt the global level playing field. The return on investment of these tools should benefit European companies.
- 1.12 To achieve full decarbonisation of the MT sector, a complete switch to alternative fuels and technologies is necessary. The EESC welcomes the adoption of the Co-Programmed Partnership on Zero-Emission Waterborne Transport.
- 1.13 The Committee believes that a "Maritime Expert Group" and a "European industrial alliance for the maritime technology sector" could help improve and regain global competitiveness for the MT sector.
- 1.14 Finally, the EESC is ready to get more involved in helping the MT sector tackle its challenges and calls on the European Commission and the Member States to urgently implement a maritime industrial strategy. The EESC is worried that, without a targeted toolbox, the EU will lose its maritime capabilities, know-how and jobs and will become fully dependent on Asia for its civil and naval ships and platforms and for maritime and offshore equipment. Failing to deliver and rapidly implement a dedicated maritime industrial strategy would be a significant political mistake.

2. Introduction

- 2.1 The EESC is writing this own initiative opinion following the opinion adopted in 2018 CCMI/152 – *The LeaderSHIP 2020 strategy as a vision for the maritime technology industry*⁵. The aim is to **raise awareness of the serious problems that the EU MT⁶ sector is facing and of the lack of sectoral policy actions from EU and national public authorities to support**

² [The FuelEU Maritime proposal](#)

³ [DIRECTIVE 2003/87 establishing a scheme for greenhouse gas emission allowance](#)

⁴ The term "waterborne sector" must be broadly interpreted as including maritime technology, maritime transport, inland navigation, recreational boating and yachting, and their supply chains.

⁵ [OJ C 262, 25.7.2018, p. 8, EESC opinion CCMI/152](#)

⁶ *The maritime technology sector comprises shipyards and the full supply chain of producers and suppliers of maritime systems, equipment and technologies. It does not include maritime service providers (e.g. shipping companies, port authorities and port service providers).*

the sector's challenges and needs. The EESC makes concrete proposals for actions to ensure competitiveness and create growth and business for the MT sector. It urges the EU institutions, Member States, social partners and other stakeholders to jointly identify and take policy actions as soon as possible to save and protect this strategic sector to ensure the EU's defence and coastal protection, maritime autonomy, access to trade, blue economy and global maritime leadership.

2.2 The EESC is intentionally following the structure of the EC LeaderSHIP Communication⁷ to highlight the little progress made on the four proposed directions and sound the alarm that immediate and targeted intervention is needed for the MT sector, especially considering the impact of the pandemic and the war in Ukraine.

3. **Improving Market Access and Fair Market Conditions**

3.1 Demand for food, merchandise and energy is expected to increase, which will require increased waterborne (maritime and inland waterways) transport infrastructure, capabilities, vessels, technologies and logistics management. Demand for waterborne and coastal tourism and leisure is also growing.

3.2 COVID-19 and the war in Ukraine have demonstrated the strategic risks for the EU of being too dependent on foreign nations, while generating shortages and blockages of the supply chains, and increased prices for raw materials and energy, which put extra pressure on MT companies. The war in Ukraine has also reminded the EU of the importance of having critical maritime military capabilities, including commercial and naval vessels and technologies for defence, security, and border and coastal protection.

3.3 The global competition for EU producers is fierce, with companies from Asia, especially China and South Korea, gaining more and more markets thanks to strong governmental support, including through complex state aid schemes, while applying lower social and environmental standards. This has enabled them to gain traditional EU markets and attract orders from European companies at injurious prices. The current inflation rise and high energy prices put extra pressure on European producers. The EESC is worried about the future of the MT sector and believes that immediate action is necessary to strengthen Europe's maritime resilience, regain global competitiveness, protect Europe's strong position in complex shipbuilding and recreational boating and safeguard Europe's strategic maritime autonomy.

3.4 A sustainable European maritime strategy must also take into account the ownership of European harbours and other related critical infrastructure, many of which have been bought, entirely or partly, by Chinese companies which are under the total or partial control of the Chinese state. To ensure European strategic autonomy, it is of paramount importance to reassess the ownership structures and re-establish wherever possible European ownership.

3.5 The EESC calls for a sectorial strategy for the MT sector to boost its global competitiveness and enable it to tap into business opportunities from the twin green and digital transition. Specific

⁷ [LeaderSHIP 2020 - The Sea: new opportunities for the Future](#)

EU trade mechanisms, access to financing, labour training schemes and R&D programmes need to be developed immediately if the EU aims to continue competing in this heavily subsidised and unbalanced global market where its main competitors do not comply with WTO rules. Furthermore, the EESC demands that MT be considered an EU strategic sector, as it is in the USA, China, Japan or South Korea and that enough human and financial resources be dedicated to the sector in the EC's services.

- 3.6 The European MT sector is a cornerstone for the EU's defence and surveillance, for the transport of goods, energy and passengers, and for achieving the EU's political goals in terms of the European Green Deal (EGD) and the blue economy. The EESC calls for urgent measures that stimulate domestic demand for green and high-tech vessels, including an EU programme for fleet renewal (e.g. of national fishing fleets, short sea and cabotage fleets, and recreational boats) and the retrofitting of existing vessels in line with EGD goals.
- 3.7 The EESC notes that the competitiveness of the sector is directly influenced by the EGD as this represents a paradigm shift for the entire waterborne sector. Its implementation will result in speedier adoption of alternative fuels and technologies. However, the EESC points out that the limited infrastructure and availability of alternative fuels hinder a faster switch and therefore calls for immediate investments in this regard, for instance by setting up a dedicated EU Maritime Fund. The specific features of each vessel type should be considered, with specific roadmaps for propulsion systems, fuels and zero-emission technologies.
- 3.8 The EESC is worried by the trade barriers in Asia towards European companies and calls for current and future bilateral and free trade agreements and economic partnerships to be updated with clauses that ensure free market access for EU maritime companies, prohibit trade barriers, demand reciprocity and secure due diligence.
- 3.9 The EESC believes that international discussions and agreements represent the best way forward against trade protectionism and asks the EC to step up its international efforts to achieve global rules. Alternatively, the EC needs to apply unilateral actions – as long as it is necessary – to create leverage over its international competitors. The EESC considers it a top priority to act against foreign subsidisation and injurious pricing.
- 3.10 The MT industry is a cornerstone for Europe's blue economy as it builds and retrofits vessels, structures and technologies, e.g. for developing a green fishery fleet, offshore renewable energy, aquaculture and deep sea mining. In order to achieve the EGD goals, the EU will need to significantly increase its industrial capacity for offshore marine renewables and for other alternative fuels. Otherwise, the EU will need to rely on foreign capacity to develop this strategic market and achieve its own EGD targets. To avoid this risk, the EESC calls on the EC to immediately qualify the strategic MT sector and its activities as "critical infrastructure".
- 3.11 The Committee firmly believes that the EU's economic leadership can only be achieved with strong production facilities on EU soil, as this is the only possibility to ensure a sustainable economic and social development, safeguard the EU's defence and strategic maritime autonomy, keep EU citizens safe and secure their jobs. The EESC also calls for a dedicated programme and incentives for producers that want to relocate their production facilities to the EU (reshoring).

4. **Employment and Skills**

- 4.1 The MT sector creates about 1 million jobs in maritime regions across Europe⁸.
- 4.2 Embracing greening and digitalisation and adopting breakthrough technologies require a specialisation of the labour force. For that, the EESC urges the EC and the Member States to develop and immediately implement large-scale reskilling, upskilling and VET programmes, through programme evaluation and skills certification, with the full involvement of the social partners and academia. Furthermore, the EESC calls for concrete financial support for the EU Pact for Skills and for designated campaigns that will make the sector more attractive, including for women and young people, and persons with disabilities and special competences. The EESC also points out that the MT sector requires workers with enhanced skills in robotics, AI, cybersecurity, sensoring, automation and 3D printing as well as highly skilled engineers, in addition to the sector's special need for blue collar workers (e.g. welders, electricians, pipe fitters).
- 4.3 European companies meet the highest international social standards in full compliance with EU legislation and ILO rules. The EESC acknowledges the work of European companies in leading the way in and raising international labour standards, and the importance of good working conditions, decent salaries and social security for the sector's workforce and calls for increased efforts to create and consolidate European Works Councils. Furthermore, the Committee reiterates the need for workers posted to another Member State to be entitled to a set of core rights in force in the host Member State in accordance with the Posting of Workers Directive.
- 4.4 As highlighted in the LeaderSHIP 2020 strategy (2013), the MT sector faces difficulties in ensuring the intergenerational transfer of know-how. The EESC is very disappointed that no specific (EU) actions have been taken so far and calls for a clear roadmap to ensure a Just Transition, make the MT sector more attractive and create adequate education and training facilities with new curricula and skills adapted to new trends and business models and to the green and digital transition. The just transition framework must be based on social dialogue and provide for adequate resources to attract a new workforce and support job-to-job transitions and the re- and upskilling of workers, including health and safety training on new technologies and processes. All programmes should be evaluated and certified, with the aim of making training uniform and based on the same standards.
- 4.5 The EESC believes that the SSDC has an essential role to play in strengthening the MT sector. Quality social dialogue (e.g. through ambitious joint actions), agreements and collaboration between the social partners, including via the SSDC, are vital and should be respected.

5. **Access to Finance**

- 5.1 The EESC considers it vital to keep production facilities in Europe and make them competitive and calls for the EU and MS to make industry financing a priority. The MT sector faces

⁸ [A Future European Maritime Technology Industrial Policy](#)

increased difficulties in accessing bank loans and public financing and has very limited exposure to other sources of financing, with SMEs being the most affected. The EESC also calls for EU taxonomy rules that support sustainable investments in the maritime sector, while leaving no one behind and avoiding any discrimination between actors in the sector. Environmental performance criteria must also be aligned with EU legislation and ensure legal certainty for technological investments.

- 5.2 The EESC believes that the EU should financially incentivise EU shipowners to build vessels in Europe, while keeping supply chains and subcomponent production in the EU as much as possible. Dedicated funds and calls for proposals should be taken into account due to the fact that maritime opportunities are barely mentioned or addressed in partnership agreements or national recovery and resilience plans.
- 5.3 The Committee calls for funds collected from infringing FuelEU Maritime as well as the revenues from the EU Emission Trading Scheme to be used also as an additional dedicated financing source for the MT sector, especially for RDI. The EESC is ready to get involved in creating new policies and EU funding schemes and asks the EU institutions to be included in all future talks on the matter.
- 5.4 Since the existing financial instruments are not sufficient or adapted to capital-intensive sectors, the EESC calls once again on the EC *"to launch a dedicated financial instrument that would enhance investment in a capital-risk-intensive sector, such as the European MT industry"*⁹, while *"consideration should also be given to setting up a financing programme to enable European recycling facilities to scrap larger ship types"*. The EESC calls for the establishment of an EU Guarantee Fund that facilitates access to finance for risk-intensive maritime investments. The dismantling and recycling of end-of-life vessels, including recreational and fishing boats, should also be enabled with EU financing.
- 5.5 Finally, it is unacceptable that non-EU companies that do not respect EU standards still have access to EU funds (e.g. EIB finance) and the internal market. Therefore, the EU should strictly apply the principle of reciprocity and due diligence for the respect of EU standards and ensure that EU financing tools and access to the internal market are not used by or granted to companies perpetuating social dumping and disrupting the global level playing field. The EC should apply the foreign subsidy regulation to foreign subsidised shipyards and maritime equipment manufacturers and consider revising Regulation 2016/1035 on injurious pricing of vessels.

6. **Research, Development and Innovation (RDI)**

- 6.1 In order to accomplish the EGD targets and implement the EU industrial strategy, a sectoral approach is needed, with specific sectoral policy actions. The EESC highlights that there is a long road from theory to practice and is highly disappointed by the lack of action in supporting the EU's industrial progress. The Committee, the social partners and local producers have

⁹ [OJ C 262, 25.7.2018, p. 8, EESC opinion CCMI/152](#)

waited in vain for a stimulus for the sector's switch to green vessels, alternative fuels and technologies to comply with the Fit-for-55 package¹⁰.

- 6.2 Embracing new disruptive technologies (e.g. smart sensors for both ships and ports, data analytics, IoT, cloud computing, AI) is vital to stay ahead of the competition. These will allow for more integrated shipping services and supply chains, increased safety and energy efficiency, and superior design. However, the EESC points out that the local producers already invest on average a significant 9% of their annual turnover in RDI and calls for designated public policies and increased financial support for these frontrunners.
- 6.3 The Committee also requires enhanced efforts at national, EU and international level to increase cybersecurity capacities, since cyber risk will increase together with the technological evolution and the introduction of automated processes and vessels.
- 6.4 To achieve full decarbonisation of the MT sector, a complete switch to alternative fuels and technologies is necessary. Although the sector is the most energy-efficient means of transport, the EESC points out that there is still room for improvement in terms of recycling, greening investments, zero-emission and climate-resilient ports, waterways infrastructure and lean port logistic chains. The EESC calls for support for research and innovation in the MT sector, as they are key for the development of breakthrough technologies and potential alternative concepts for maritime transport, and for the competitiveness of the MT sector. In this respect, broad cooperation with the defence industry should be sought.
- 6.5 The future of the MT sector relies on data gathering and management, as data analytics represent an important opportunity to improve the logistics, ship operations, spatial monitoring of large sea areas and the environmental performance of ships.
- 6.6 Protecting know-how and intellectual property is vital for the MT sector. The knowledge from EU-funded RDI must make EU companies more competitive and benefit society. Green and smart maritime technologies developed via EU projects should therefore be considered strategic for the EU's competitiveness and strategic autonomy and it should be possible to temporarily restrict non-EU companies' access to these projects' results, in line with the legal provisions of Horizon Europe. Sectors of the waterborne industries not yet included in the scope of existing partnerships, such as recreational boats and yachts, should also benefit from RDI financing under Horizon Europe.
- 6.7 Finally, the EESC points out that RDI investments can ensure the EU's leading role in global competition, and therefore welcomes the adoption of the Co-Programmed Partnership on Zero-Emission Waterborne Transport.

¹⁰ [Fit for 55': delivering the EU's 2030 Climate Target on the way to climate neutrality](#)

7. **Final Comments**

- 7.1 Like for other modes of transport, the Committee believes that a "Maritime Expert Group" and a "European industrial alliance for the maritime technology sector" could help improve and regain global competitiveness for the MT sector.
- 7.2 If no action is taken at sectoral level, this EESC opinion may be one of the last calls for immediate support to the MT sector to safeguard the market, industrial capabilities and jobs in Europe and fight to recover lost markets. The EESC has done its part to raise awareness of the policy actions needed and is ready to take further action to make the sector more competitive. If the EU fails to take urgent action, and deliver and rapidly implement a dedicated maritime industrial strategy, the EU might become fully dependent on Asia for its civil and naval ships and structures and maritime and offshore equipment. This would not only be a real shame, but also a significant political mistake!

Brussels, 14 December 2022

Christa Schweng

The president of the European Economic and Social Committee
