

---

# REINDUSTRIALISING EUROPE: A NEW LEGISLATURE TO BUILD ON OUR ACHIEVEMENTS

A CALL TO ACTION FOR THE 2024 EUROPEAN POLITICAL RENEWAL

---

---

## INDUSTRIALISTS' 4 PRIORITIES

---

- 1 Develop a coherent industrial strategy to enhance **competitiveness** and **strategic autonomy**.
- 2 Decarbonise industry and its products with **the full range of low-carbon energies**.
- 3 Reduce the administrative burden arising from **regulatory and legislative "overload"**.
- 4 Enable industry to **drive employment** and skills development.

**The reindustrialisation of Europe is increasingly becoming an essential lever for forging a new era of growth and peace.** Against a backdrop of uncertainty, **French citizens expect concrete answers from the European Union** on security, employment, purchasing power, social protection, energy and the environment. Europeans aspire to a sovereign, prosperous and environmentally friendly Europe, more clearly asserting its role as a global power. In the face of growing challenges to our fundamental values and democracies, France Industrie reaffirms the European Union's role as a compass: **"industry needs more Europe, and Europe needs more industry"**.

Initiatives in support of industry launched during the current mandate of the European Commission need to be widely amplified. Without being naïve in the face of major partner powers such as the United States or China, Europe must deploy an **ambitious industrial strategy** to boost its competitiveness, accelerate its transformation, and **pursue its reindustrialisation** as part of a policy of **sustainable and inclusive economic growth**.

## 1 DEVELOP A COHERENT INDUSTRIAL STRATEGY TO ENHANCE COMPETITIVENESS AND STRATEGIC AUTONOMY

France Industrie applauds the EU's efforts to promote reindustrialisation since 2019. European industrial policy has reached an important milestone, equipping itself with tools that carry new ambitions. Nevertheless, **the EU is struggling to halt its industry's decline in competitiveness: a quasi-structural gap has opened up with the United States**, which is developing highly incentive-based policies, or **with China**, which is deploying a state-led industrial strategy and aggressive trade actions. The EU's response to this is to use levers that need to be more effective and coordinated, and regulatory frameworks that are often rigid and complex, sometimes adopted too hastily, and whose impact on improving the profitability of investments remains too modest. **Strict regulations are imposed on domestic European production without requiring imported products to comply in return.** Pressure must therefore be stepped up on non-EU countries such as China to ensure a level playing field and adapt European standards to maintain European competitiveness. Finally, the issues of the EU's **strategic dependence** and the **resilience of its value chains** must be addressed by more ambitious policies.

### OUR PROPOSALS

- **Adopt a genuine Made in Europe Act** reforming public procurement regulations and enabling public authorities to give preference to European production by taking more systematic account of non-price criteria (environment, carbon footprint, use of the circular economy, strategic autonomy, etc.). The Net-Zero Industry Act (NZIA) is a first step to be extended during the next legislature.
- **Create the position of Vice-President of the Commission, responsible for competitiveness, strategic autonomy and simplification**, to ensure the coherence of sectoral policies with cross-sectoral ambitions: reindustrialisation, decarbonisation, digitisation, defence, etc.
- Ensure a level playing field through a more assertive trade policy, a well-calibrated economic security strategy, and more effective trade defence instruments.
- Deploy a sovereignty fund in response to our competitors' investment support mechanisms.
- Retain responsibility for Energy within the Parliament's ITRE Committee, to ensure that Energy and Industry issues are properly articulated.

## 2 DECARBONISE INDUSTRY AND ITS PRODUCTS WITH THE FULL RANGE OF LOW-CARBON ENERGIES

The decarbonisation of industrial processes and products, coupled with energy efficiency and a reduction in the carbon footprint of production, is crucial to reducing greenhouse gas emissions. To achieve this, **the EU's decarbonisation objective must rely on all low-carbon technologies** (nuclear power, renewable energies and decarbonised gases) that can contribute to the decarbonisation objective, and meet the **principle of technological neutrality**. The energy crisis of 2022 highlighted the **fragility of European industry in the face of volatile electricity prices**, and energy prices in Europe are too high to be competitive with those charged by our international competitors. Finally, French industry is concerned about the temptation of **a new wave of binding regulations that could come with the setting of emission reduction targets for 2040**, when the package accompanying the 2030 objectives has only just been adopted.

### OUR PROPOSALS

- **Correct the shortcomings of the EU's current Carbon Border Adjustment Mechanism (CBAM) and postpone the timetable for phasing out free allowances until the CBAM has demonstrated its protective effectiveness in terms of decarbonisation and reindustrialisation.**
- **Accelerate the low-carbon transition by making Europe a globally competitive energy supplier** and launch a massive investment program with more coherent tools that take infrastructure needs into account.
- Ensure that 2040 emission reduction targets do not generate excessive constraints: cooperate more closely with industry to make them realistic, achievable, proportionate, and based on all available low-carbon levers. Guarantee competitive access to decarbonisation infrastructures (including CCUS) and give preference to the carbon footprint indicator of European consumption over carbon emissions alone.
- Evaluate the climatic and economic impact of "Fit for 55" before committing to new legislative and regulatory initiatives, and use «review clauses» to simplify and make more effective the tools implemented.
- Revise taxonomy delegated acts to include all materials, activities and technologies useful for decarbonisation.



## 3 REDUCE THE ADMINISTRATIVE BURDEN ARISING FROM REGULATORY AND LEGISLATIVE “OVERLOAD”

Produce fewer, better-targeted rules, with real resources to implement them, as the current legislature has resulted in a **too-rapid increase in the administrative burden** for industrial companies, due to **massive regulatory and legislative production**.

While these regulations are aimed at legitimate objectives linked to the energy, ecological and digital transitions, the **competitive disadvantages they entail are a cause for concern**, particularly for manufacturing SMEs and midcaps. Member States and the Commission have realised that **regulatory complexity, instability and unpredictability are among the EU's main drawbacks**. Initiatives are emerging in many sectors, and European leaders are calling for a **"regulatory pause"** in the face of growing contestation. **The European decision-making process needs to be inspired by what works elsewhere** in terms of public policy for industry. The next legislature must give priority to implementing the texts already adopted.

### OUR PROPOSALS

- **Take a "regulatory pause" to ease the burden on companies** and propose a text to make the necessary corrections to current European legislation that has an undue impact on industry competitiveness.
- Reduce reporting burdens by 50% by 2026.
- Establish an indicator of the cost of bureaucracy on economic activity.
- Improve the EU decision-making process (study on the cumulative effect of regulations, competitiveness checks).

## 4 ENABLE INDUSTRY TO DRIVE EMPLOYMENT AND SKILLS DEVELOPMENT

Developing industry in Europe ensures sovereignty and economic prosperity and is also **the most effective way of giving Europeans access to skilled jobs**. But industry is facing a major **labor shortage** (50,000 vacancies in France<sup>1</sup>). Manufacturing companies are mobilising to meet this challenge and are **relying on social dialogue** to provide concrete answers. The EU must support them with operational and pragmatic measures, rather than legislation.

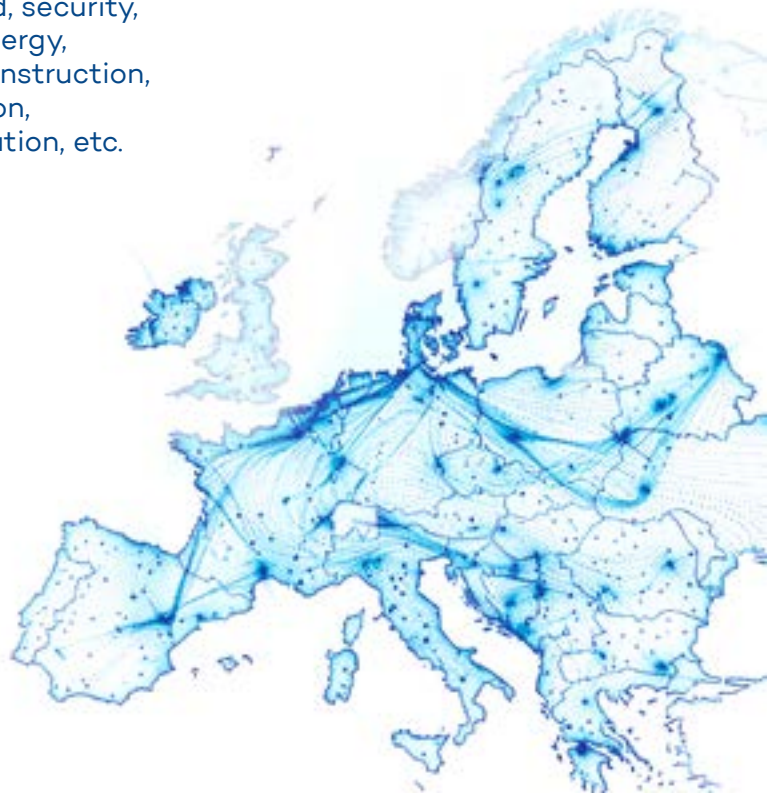
### OUR PROPOSALS

- **Ensure autonomous social dialogue**: make the European social partners more accountable by halting any legislative process following the failure of negotiations accepted by the social partners and clarify the Commission's role in supporting social dialogue.
- **Ensure effective and consistent implementation of the European social framework, in particular by bringing French law into line with it**, in order to avoid distortions between Member States.
- Facilitate worker mobility: e-declaration of posting, development of information tools in EU languages on national rights, improvement of the European information portal, etc.
- Coordinate national initiatives to promote the attractiveness of professions and skills development..

<sup>1</sup> DARES, job vacancies in the fourth quarter of 2023

Through the **solutions** it offers, **industry has the capacity to meet the aspirations of the French and Europeans:**

- > It is a **major driving force** for other sectors of the economy, and a powerful **growth engine** thanks to its productivity gains and capacity to export and internationalise.
- > Its production sites form the local industrial fabric and contribute to regional **prosperity** and **social cohesion**.
- > Long-term vision and local investment strengthen **Europe's strategic autonomy**.
- > It is a **source of social mobility**, by increasing the skills of its employees and securing jobs.
- > Its diversified technological offerings meet the **vital daily needs of citizens**: health, food, security, defence, energy, mobility, construction, digitalisation, communication, etc.
- > Its contribution to innovation is a source of **technical progress** for all, and of **competitiveness** for the European supply chain.
- > Its low-carbon solutions contribute to the **ecological transition** and to the goal of climate neutrality by 2050.



## FRANCE INDUSTRIE, THE UNITED VOICE OF INDUSTRY IN FRANCE

**FRANCE  
INDUSTRIE**

France Industrie brings together some thirty industry federations and the chairmen of some fifty major companies operating in all industrial sectors. France Industrie is the key contact for public authorities on all cross-cutting issues relating to industry: competitiveness, employment, ecological transition, innovation and digital technology, European industrial policy and regional attractiveness.

[franceindustrie.org](https://franceindustrie.org)

[communication@franceindustrie.org](mailto:communication@franceindustrie.org)  
X @FR\_Industrie —  France Industrie