Report of the conference :
« TOWARDS A SELF-RELIANT 'MADE IN EUROPE' : PRODUCING, INVESTING AND PROTECTING AMID MAJOR TRANSITIONS FOR EUROPE'S STRATEGIC INDUSTRIES»

On Thursday, 25 June 2026, Michel Derdevet, President of Confrontations Europe, and François Kalfon, Member of Parliament for the S&D Group brought together policymakers, industry representatives, trade unions, and experts at the European Parliament in Brussels. The conference, entitled "Towards a self-reliant 'Made in Europe': producing, investing and protecting amid major transitions for Europe's strategic industries," aimed to assess the levers, progress, and obstacles to industrial development and the ecological transition on the continent, more than a year after the publication of the Draghi report and in the context of China's growing overcapacity in several key sectors (electric vehicles, batteries, solar panels, and heavy industry).

The conference builds on the announcement made on 4 March 2026 by Executive Vice-President Stéphane Séjourné of the Industrial Accelerator Act. This new framework aims to restrict access to European public procurement markets and state aid schemes in order to support critical industrial sectors affected by rising energy and raw material prices and build lead markets for Europea low carbon materials and products by boosting public demand for these products.

The first panel, moderated by Brieuc Hallouet and entitled "The Industrial Accelerator Act – What are the needs to boost competitiveness and defend strategic manufacturing in Europe?", focused on competitiveness, value chains, industrial sovereignty, and infrastructure. It brought together:

- **Aleksandra Kordecka**, expert in the Cabinet of Executive vice-President **Stéphane Séjourné**, European Commission ;
- **Mikael Isaksson**, director of European Affairs, Saab;
- **Corinna Grajetzky**, director of European Public Affairs, Engie;
- **Cristina Romao**, senior Director for Innovation and Public Affairs, Les Laboratoires Coloplast ;
- **Éléanor Batilliet**, directior of Public Affairs, Heidelberg Materials

The second discussion, moderated by Michel Derdevet and entitled "**Is 'Made in Europe' the key for the competitiveness of Europe's industries – the automotive sector as a 'test case'**", and concluded by Michel Derdevet, addressed issues related to sectoral transition, the definition of local content, and the integration of partner countries. It provided an opportunity to hear from the following speakers:

- **François Kalfon**, member of the European Parliament (S&D) and TRAN rapporteur on clean corporate vehicles. ;
- **Alexis Chalopin**, vice-President for European Affairs, Renault Group;
- **Jean-Baptiste Pernot**, deputy CEO, Automotive Cells Company (ACC);
- **Judith Kirton-Darling**, general Secretary, Industriall

Based on in-depth discussions, the conference highlighted the main challenges of Europe's industrial transition: its strategic foundations, global competitive pressures, infrastructure constraints, the role of emerging markets, the issue of social acceptance, and the need for regulatory and financial stability.

An insufficient energy and carbon price signal

Corinna Grajetzky (Engie) noted that the Draghi report acted as a necessary wake-up call, confirming the relevance of the decarbonisation pathway while also exposing Europe's competitiveness weaknesses.

A consensus is emerging that the NZIA (Net-Zero Industry Act) remains far from fully implemented on the ground: only a few Member States have integrated non-financial criteria into their initial renewable energy auctions, limiting the evidence base needed to properly assess its effectiveness.

While the introduction of the concept of European preference into the industrial accelerator is welcomed by many stakeholders, uncertainties remain regarding how it will align with the NZIA (Net-Zero Industry Act) for the clean technologies needed for electricity generation. There appears to be a difference of opinion among stakeholders regarding the degree of ambition: while an ambitious framework is sought, Corinna Grajetzky warns against "Made in Europe" criteria that are too disconnected from the realities of the supply chain, which could trigger a backlash from the public in response to rising electricity prices. She points out that "the industry needs a stable and predictable investment framework, which means maintaining the current electricity market model and strengthening the carbon price signal."

According to Éléanor Batilliet (Heidelberg Materials), the main obstacles are structural investment uncertainty, driven by the potential weakening of the carbon price signal under the EU Emissions Trading System (EU ETS), high and volatile energy costs, the insufficient deployment of cross-border CO_2 transport infrastructure, uncertainty surrounding funding instruments and implementation timelines, as well as the rigidity of State aid rules. These factors hinder the delivery of major transformation projects, including Heidelberg Materials' portfolio of carbon capture and storage (CCS) projects across continental Europe.

Beyond energy prices, the European Commission, represented by Aleksandra Kordecka, considers reducing energy costs a key priority, alongside administrative simplification, which it sees as essential to strengthening the Single Market without undermining regulation. In this context, she stated: "We are 30% of the way towards implementing the Draghi Report, and we could reach 60% with the Net-Zero Industry Act and the Industrial Decarbonisation Accelerator."

Stimulating demand to create emerging markets

For Heidelberg Materials, past European policies have been overly focused on supply-side measures and initial subsidies, such as the Innovation Fund. The missing piece now is demand stimulation.

Without the emergence of lead markets ensuring demand for low-carbon materials, the business case for carbon capture and storage (CCS) is considered unviable. The key lever identified is public procurement, which directly represents 30% of cement consumption and nearly half indirectly. Using low carbon materials only has a marginal effect on the final value of a building, around 1% to 3% of building costs.

On this basis, Éléanor Batilliet considers the signal sent by the Industrial Accelerator to still be too weak, with an initial target set at only 5%. A strict definition excluding conventional products that are already optimised, combined with dedicated incentives for near-zero-carbon technologies, is presented as a necessary condition for this quota to achieve its intended transformative impact on the sector.

Made in Europe: a contested balance between protection and competitiveness

The definition of local content criteria highlights divergences across sectors. Cristina Romao calls for extending the Industrial Accelerator to other strategic sectors such as healthcare, based on objective criteria of strategic autonomy and supply security, while stressing that the first step in industrial sovereignty is to protect existing production sites already located in the territory. Laboratoires Coloplast operates five of its nine global factories in Europe. She also cautions against concentrating public funding solely on new projects.

The defence sector, represented by Mikael Isaksson (SAAB), provides a precedent considered transferable: two criteria have proven effective there — a minimum European value-content requirement of 65%, and the principle of design authority, ensuring that intellectual property and engineering remain European, thereby avoiding the emergence of “screwdriver factories” assembling third-party technologies under licence.

However, these criteria should not become so rigid that they undermine product performance or slow down the supply of armed forces.

In the automotive sector, this debate is particularly acute. Alexis Chalopin describes the current “Made in Europe” policy as a partial response, as it targets only electric and plug-in hybrid vehicles — around 22% to 23% of current sales — while overlooking the transition of internal combustion engines, which still sustain most of the supplier ecosystem. The risk identified is that of an unattainable design: overly rigid rules would deprive European manufacturers of public incentives, increase vehicle costs, and accelerate volume declines, without imposing equivalent constraints on Asian competitors with lower production costs.

A joint position from Renault Group, Volkswagen Group and Stellantis proposes a weighted-average system set at 70% local value. This would include component flows from nearby partner countries (the United Kingdom, Turkey, Morocco), the value added through materials processing, and R&D efforts carried out on the continent.

Otherwise, the concern is that manufacturers would reduce their engineering investments in order to preserve component purchasing flexibility.

Automotive: a social emergency that undermines support for the transition

For Judith Kirton-Darling, the social situation in the automotive sector is described as dramatic: 100,000 direct industrial jobs were lost in Europe in 2024 alone, and the European Commission estimates that a further 600,000 jobs are at risk by 2030 due to the combined effects of electrification and digitalisation. This fragility—illustrated in Italy, where half of the workforce of the main national carmaker is either on short-time work or solidarity contracts—fuels anxiety among workers, leading some to question the legitimacy of the transition pathway itself.

IndustriAll Europe argues that support from the Industrial Accelerator should be made strictly conditional on binding social requirements in legislative texts, following the model of the Biden administration in the United States, which ties public support to job quality and social dialogue. Renault Group, meanwhile, locates the issue upstream on the demand side: the European market shows a structural decline of around 3 million vehicles sold per year compared to 2019, making Europe the only region that has not recovered pre-pandemic volumes. Renault's strategy is to regain these volumes through price competitiveness, with models such as the R5 priced below €25,000 and the upcoming Twingo below €20,000.

François Kalfon refocuses the debate on the irreversibility of the transition: attempts to reopen discussions to preserve internal combustion engines or extend hybrids are dismissed as rear-guard battles, with the automotive sector remaining Europe's leading industry in terms of patent filings.

He argues that the coming sovereignty battles go beyond propulsion technologies: they concern software control, dependence on semiconductors—whose post-COVID shortage already disrupted production lines—and autonomous vehicles. This, in his view, justifies calls for targeted trade barriers to offset a competitiveness gap estimated at 30% with third countries.

Batteries: a technological catch-up estimated at ten to fifteen years

Jean-Baptiste Pernot situates the battery industry at the intersection of competitiveness, geopolitics, and skills. He notes that China has a fifteen-year lead, built through a consistent state strategy combining massive public financing and the protection of its domestic market until the early 2020s. This approach has enabled the emergence of highly competitive global champions, equipped with highly automated factories and dedicated training centres.

He adds that this lead now extends into future technologies such as autonomous vehicles, which are being tested at large scale in Wuhan.
For Automotive Cells Company (ACC), Europe's catch-up starts almost from scratch and faces a structural energy disadvantage compared with Chinese plants in Western China, which benefit from low-cost hydropower. The identified way to close this gap while preserving the European social model is a massive investment in digitalisation, artificial intelligence, and production automation.

Conclusion: from coherence in discourse to accelerating the timeline

The synthesis proposed by Michel Derdevet brings these different strands together around a single requirement: avoiding any gap between political ambitions and the reality of the productive system.

On a methodological level, he calls on the European Commission to organise regular sector-specific roundtables with industry, rather than relying solely on a purely regulatory approach, in order to address in practical terms the implementation challenges already identified in areas such as the EU ETS, local content criteria, and social conditionality.

The Green Deal is reaffirmed as the essential direction for the continent, while the €750 billion bill for fossil fuel imports recorded last July underscores the urgency of correcting a structural dependency.

The Irish Presidency of the Council of the EU and the European Parliament are called on to place industrial policy and the climate challenge at the heart of the agenda, at a time when attempts are emerging to roll back the 2035 deadline for internal combustion vehicles. `

Finally, the issue of the financing timeline remains. Public investment—estimated at 3% in the Draghi report—is considered to need immediate deployment, with a full reorientation of ETS revenues and the Innovation Fund towards agile instruments such as investment "boosters" and carbon contracts for difference, which alone can provide companies with the predictability required for their transformation projects.