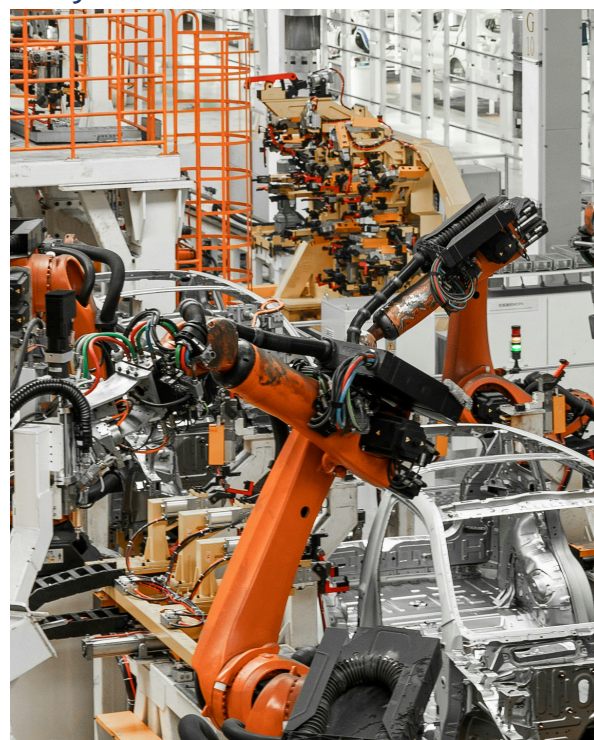


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BLOG — POST

'Made in Europe': yet another missed opportunity in the Mediterranean



By refusing to include Morocco and Turkey in the 'Made in Europe' initiative promoted by the Industrial Accelerator Act, Europeans risk further widening the divide between the two shores of the Mediterranean.

The EU's co-legislators – the Council and the Parliament – are currently finalising their positions on the Industrial Accelerator Act, a proposal put forward by the European Commission last March. The aim is to boost European industrial production, particularly in sectors linked to the energy transition and the phase-out of fossil fuels, with the objective of increasing industry's share of European GDP from 14 per cent in 2024 to 20 per cent by 2035.

The proposal seeks to speed up permitting procedures for low-carbon industrial projects, to impose European content and local employment requirements on foreign investments exceeding €100 million, and, lastly, to introduce 'Made in Europe' and low-carbon production criteria into public procurement and subsidy programmes across Europe.

I • Who should qualify as 'Made in Europe'?

It is this last point – the definition of the 'Made in Europe' requirements – that is sparking the most debate. This is particularly true regarding electric cars – a crucial issue for the future of the European automotive sector, which is currently under serious threat from the spectacular rise of Chinese carmakers, who have pulled far ahead in this field.

Until recently, the approaches taken by France and Germany – two of Europe’s leading car-producing nations – had differed significantly on this issue. This is partly because German industry has invested far more in China than French industry. The German government therefore feared Chinese retaliation against German interests should Europe adopt overly strict rules in this area. German manufacturers, who are less well positioned than their French counterparts in the field of electric vehicles, also wanted to be allowed to keep producing internal combustion engine vehicles beyond the 2035 deadline set under the Green Deal.

On 15 October, the French and German governments reached an agreement on this key issue. France accepted Germany’s request to relax the 2035 target for cars: instead of the 100 per cent reduction in CO₂ emissions from new vehicles currently stipulated in the Green Deal, the reduction could be as little as 90 per cent, without manufacturers having to offset the remaining 10 per cent, contrary to what the European Commission had initially proposed. In exchange, Germany accepted a narrower definition of ‘Made in Europe’, extending eligibility for the label beyond the EU only to production in the United Kingdom and Norway.

II • The issue of Morocco and Turkey

One of the sticking points in the Franco-German negotiations concerned the inclusion of Morocco and Turkey – two countries home to three of the main plants of the Renault and Stellantis groups – alongside Norway and the United Kingdom on the list of countries eligible for the ‘Made in Europe’ label. Ultimately, the French government relented on this point and accepted that production in these two countries would not qualify for the subsidies or preferential access to public procurement linked to the ‘Made in Europe’ label.

One might wonder, however, whether this could prove to be a major strategic error, not only for France but also for Europe as a whole – and not only in economic terms but also, more broadly, in geopolitical terms.

Europe must, of course, do more to protect its market against the onslaught of Chinese overcapacity, which is heavily subsidised by the Party-State. We must also ensure that European car manufacturers remain competitive against their Chinese counterparts, not only within the EU’s single market but also in third-country markets, particularly those of the rapidly growing countries of the Global South. This, however, means that these manufacturers must bring countries where costs are significantly lower than ours into their value chains – and those of their subcontractors.

We must therefore encourage not only, of course, production within Europe itself, but also what is known as ‘friendshoring’ – locating production in friendly, neighbouring countries – as opposed to ‘offshoring’, moving it to distant, often Asian, countries, which has been practised on a large scale over recent decades and has led to Europe losing control of much of its industrial base. In this respect, Morocco and Turkey are obvious partners that Europe and its car manufacturers should prioritise.

III • A geopolitical issue, not merely an economic one

Beyond the strictly economic aspect, the European Union has, since 1995 and the Barcelona Declaration, proclaimed its ambition to turn the Mediterranean into ‘a common area of peace, stability and prosperity through the reinforcement of political and security dialogue, and of economic, financial, social and cultural cooperation’. This commitment has been ritually reiterated year after year, at meetings of the Union for the Mediterranean, and was solemnly reaffirmed once again in October 2025, when the European Commission presented its major new ‘Pact for the Mediterranean’. Furthermore, as part of its migration policy (or, more accurately, anti-migration policy), the Union never tires of repeating that one of the most effective ways to limit the arrival of irregular migrants on its territory is to give greater support to its partners’ economic development so as to create more jobs there.

However, when the opportunity arises to match words with deeds – as with the issue of countries outside the EU-27 that could be included in the ‘Made in Europe’ initiative – Europe is nowhere to be found. This is true even when it comes to partners as solid and close to the EU as Morocco and Turkey have been for decades. Meanwhile, the main casualty of the ongoing haggling over the EU’s Multiannual Financial Framework for 2028–2034 is likely to be, as usual, the ‘Global Europe’ envelope – the budget for development aid to our partners in the South. In these circumstances, is it any wonder that these partners in the southern Mediterranean are increasingly turning their backs on us to draw closer – economically as well as geopolitically – to our Chinese and Russian adversaries and competitors?