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COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

on the EU Industrial Maritime Strategy

1. INTRODUCTION

Europe is a waterborne continent. The European Union and its Member States steward the world's largest collective maritime area, with 25 million km² Exclusive Economic Zones (EEZs)[1]. The Union has one of the world's longest coastlines, spanning 70,000 km across 22 Member States and a 42,000 km network of inland waterways, with thousands of ports, marinas, shipyards and suppliers, underscoring the need to further leverage Europe's waterborne single market potential.

Europe's maritime manufacturing[2] and shipping[3] industries are strategic sectors for Europe's autonomy, resilience, defence, economic security, prosperity, decarbonisation and the sustainable use and protection of its EEZs assets and resources. Europe's maritime manufacturing sector is a global leader in complex, high-end shipbuilding and advanced technologies. It drives innovation for sustainable waterborne transport and blue economy activities and is a cornerstone of regional industrial growth. Europe's shipping sector is a leading provider of maritime services worldwide, it ensures supplies of essential goods, enables trade and contributes to the EU energy independence. It also determines, along with other waterborne segments, demand for maritime manufacturing products and services, and shapes technological choices.

Both sectors are key to enhancing the Union's and Member States' military capacity by facilitating the movement of troops and delivering naval and dual-use civilian and military vessels. They are also critical for the deployment and protection of the EU digital and offshore energy infrastructure, such as pipelines, electricity and data cables and wind farms. Other subsegments, such as cruise and nautical tourism, have an important innovation potential to enhance their sustainability.

This waterborne ecosystem faces challenges. The Draghi[4] and Niinistö[5] reports highlight its exposure to intense global competition and tensions, increasing dependencies on third-country ship production and financing, decarbonisation, and ageing workforces in need of upskilling and reskilling.

Europe needs a policy framework that safeguards and boosts its maritime manufacturing and shipping industries, enhances their innovation capacity, advances digitalisation, sustainability and decarbonisation as sources of industrial opportunities, drives technological leadership and strengthens their competitiveness. Together with ports, these industries are essential for the EU's positioning in the volatile geopolitical arena and for the EU's strategic autonomy, economic security and preparedness. The Commission is therefore also proposing – together with this industrial maritime strategy – an EU ports strategy.

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[1] Including across EU outermost regions

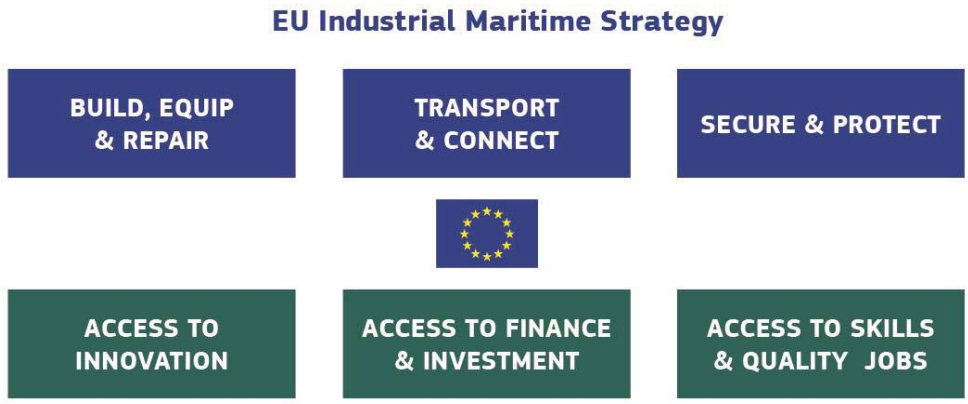
[2] The notion of "maritime manufacturing" encompasses a broad range of industrial activities and services including: 1) the building, repair, maintenance, conversion, retrofitting, dismantling and recycling of seagoing and inland navigation vessels, boats, floating platforms and other specialised surface and underwater units 2) the production of equipment and technologies for maritime, port and blue economy activities.

[3] The term "shipping" includes all segments of both freight and passenger transport services by sea, including coastal, short-sea and deep-sea shipping, specialised shipping services as well as both tramp and liner shipping business models

[4] The future of European competitiveness: Report by Mario Draghi (2024)

[5] Strengthening Europe's civil and military preparedness and readiness: Report by Special Adviser Niinistö (2024)

The moment to act is now. This EU industrial maritime strategy, building on the Clean Industrial Deal and various related EU initiatives[6], sets out a vision and a course of action under six pillars:



2. BUILD, EQUIP & REPAIR

A strong maritime manufacturing sector[7] is strategic for Europe's sovereignty. It gives Europe the ability to build and maintain vessels, equipment, platforms and technologies needed to promote and protect its vital interests: from energy independence, climate resilience and food supply[8] to border protection, defence, critical infrastructure protection, military mobility, ocean observation and Arctic navigation[9].

Preserving a critical mass of commercial shipbuilding in the EU is key for sustaining naval shipbuilding, given the strong dual-use interlinkages and cross-fertilisation[10]. It is also important for maintaining viable supply chains in Europe, securing control of key technologies and know-how. This is essential to foster jobs, investment and innovation at regional level, including in peripheral areas, islands and outermost regions. Ship repair, maintenance, conversion, retrofitting and recycling capabilities are critical for advancing safety, decarbonisation and circularity of waterborne transport.

2.1 EU maritime manufacturing: fostering growth and competitiveness in lead markets

Today, Europe is still a global leader in some of the most technologically sophisticated ship types (e.g. cruise, naval, icebreakers, research vessels, submarine cable vessels, offshore wind support vessels, floating and converter platforms, yachts and recreational craft), clean

[6] Including a Competitiveness Compass for the EU (COM(2025) 30 final), the European Ocean Pact (COM(2025) 281 final), the EU Maritime Security Strategy (14280/23), Water Resilience Strategy (COM(2025) 280 final) and the Zero Pollution Action Plan (COM(2021)400 final).

[7] Europe's maritime manufacturing includes 300 shipyards and 28.000 maritime equipment manufacturers. A bottom-up analysis of the characteristics, needs, challenges and opportunities of the sector was carried out in the context of the Mobility Transition Pathway (2024). The recommendations of this exercise are reflected in this Strategy.

[8] Through e.g. specialized vessels, converter and floating platforms, foundation structures and electrical infrastructure for offshore renewable energy in general and specifically offshore wind energy, advanced dredgers enabling protection from rising sea levels and river flooding and vessels for sustainable fishing and aquaculture activities. Specifically, regarding fishing vessels, the Commission will publish a roadmap on the energy transition of EU fisheries and aquaculture by Q3 2026, where it will guide the sector on the energy transition and gather insights and recommendations from the Energy transition partnership in EU fisheries and aquaculture

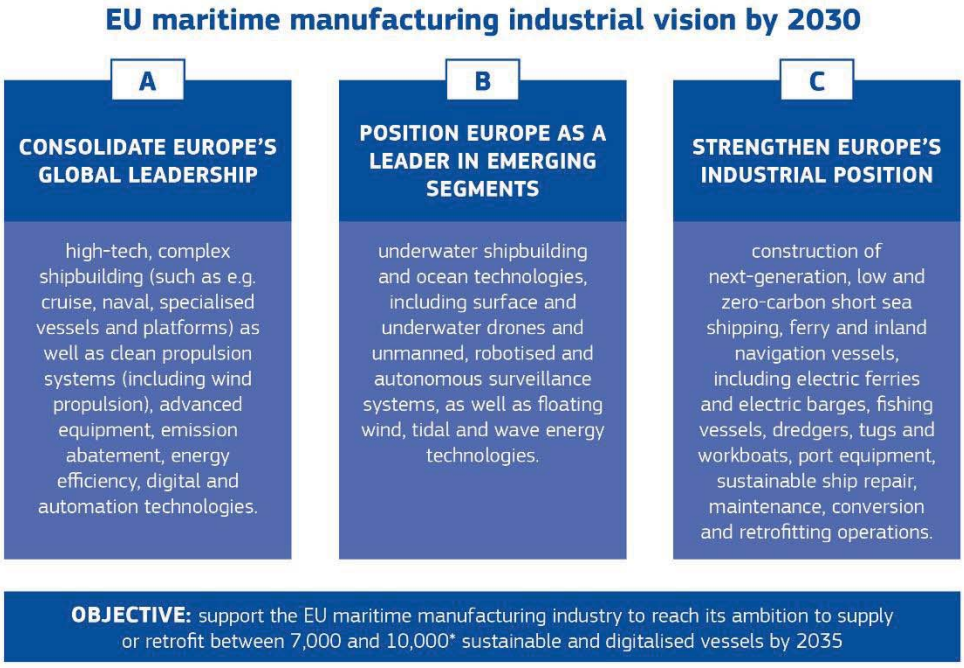
[9] Through patrol and naval vessels, submarine cable vessels, dual use vessels, research vessels, technologies for the ocean exploration, observation, monitoring and surveillance, icebreakers and ice-capable vessels

[10] The new Joint Communication on strengthening EU economic security (JOIN (2025)977), which highlights the importance of investing in a vibrant industrial base, specifically recognises shipbuilding as a strategic dual-use sectors

propulsion systems and advanced equipment. With 97% of the world's fleet of cruise ships built in Europe, cruise production is key for Europe to maintain and enhance its complex shipbuilding capabilities in other segments that are essential from a strategic autonomy perspective.

In other market segments, namely in merchant shipbuilding, European shipyards have over the last decades lost global market shares due to a distorted international market, affected by massive state driven investments in third countries, non-market practices as well as labour and energy cost differentials. While European shipyards have specialised in high-value, low-volume markets, foreign competitors are entering these segments as well. EU industry has been recently losing ground to countries such as China in strategic shipbuilding segments, like ferries[11] and offshore wind installation vessels. Leadership in underwater vessels, maritime and port equipment is also increasingly challenged.

To preserve Europe's maritime manufacturing base and unleash its innovative potential, the EU and its Member States need to concentrate industrial policy efforts where the best results can be realistically achieved, i.e. **high-value segments with a strong industrial potential for manufacturing in the EU[12].**



**SEA Europe Manifesto "Setting sail to build in Europe 10,000 sustainable and digitalised vessels by 2035*" (2024)

Reaching this ambition will require both supply and demand-driven measures and the right enabling conditions, including close public-private cooperation. To this end, the

[11] Europe's shipbuilding market share in number of large-size ferries (i.e. above 5,000 GT) delivered to the domestic (EU) market stood at 38% in 2020-24, averaging three ships delivered per year. A world leader until 2010, Europe's global market share declined to around 15% in 2020-24 (from 60% in 2010).

[12] Decarbonisation, digitalisation, the expected expansion of offshore renewables deployment and emergence of new growth markets in the blue economy, such as underwater and ocean observation technologies, military mobility and the surge in defence investments provide opportunities to leverage and strengthen Europe's maritime manufacturing base. For example, by 2030 the number of electrifiable ferries has been estimated to rise to up to 364, depending on factors such as battery energy density rates improvement and onshore power deployment rates. Between 2020 and 2050, two-thirds of the current fleet of 12,000 inland navigation vessels operating in European waterways are estimated to undergo retrofitting and one-third will be new constructions (about 140 new vessels per year).

Commission will launch an **EU Industrial Maritime Value Chains Alliance** to strengthen Europe's industrial sovereignty and technological leadership in selected lead markets in maritime manufacturing and emerging technologies. The Alliance will bring together stakeholders from the waterborne ecosystem as well as national and regional authorities. It will pave the way towards identifying business cases for industrial activities in Europe, facilitating joint roadmaps and project pipelines in identified areas. The Alliance will also work on supporting the EU and Member States in aligning investment priorities, identifying supplementary incentives to foster demand and synergies across the value chain in Europe and coordinate EU support mechanisms with national projects.

2.2 Modernising the EU maritime production base

By 2030 the European industry needs to further advance towards smart and clean maritime manufacturing, leveraging digitalisation, advanced robotics, artificial intelligence, modularity, energy efficiency, and circularity in industrial processes. This is essential for making maritime manufacturing in Europe more resilient and cost-efficient, mitigating looming labour shortage challenges, enhancing productivity and expanding the operational capacity of industrial facilities.

In **small and medium size shipyards** the use of innovative manufacturing technologies needs to increase, when it comes to materials, processes, AI and skills. The Commission is therefore rolling out a **"Shipyards of the future" R&I Flagship Call**[13] to support testing and demonstration of such technologies in real life shipyard ecosystem, with a view to further replicating and scaling results.

Bottlenecks concerning administrative permissions can limit shipyards' ability to expand or modernise facilities or install decarbonisation technologies, such as infrastructure for clean fuel bunkering or dockside electrification. The recently proposed Regulation on speeding up environmental assessment[14] and the European Grids Package can accelerate electrification of industrial sites including in port areas, such as ship repair and maintenance facilities and should be adopted by the co-legislators as soon as possible. **The proposed Industrial Accelerator Act** will simplify and speed up permitting procedures, including for maritime manufacturing facilities.

Finally, the Commission will explore with stakeholders, in the EU Industrial Maritime Value Chains Alliance, ways to optimise cross-border production and supply chain synergies, promoting standardisation where economies of scale can be achieved, e.g. to reduce costs and roll out time of certain components for next generation vessels.

2.3 Leverage public procurement and funding in support of EU industrial leadership

A strategic use of public procurement can help foster demand for clean, innovative *Made in EU* goods and services, including key strategic vessels in lead markets[15] critical for the EU's resilience and economic security.

The Commission will work with EU/EEA Member States to identify and facilitate a **multi-year, aggregated pipeline of public orders across EU/EEA public buyers** to create a long-term aggregated public demand signal in relevant segments (e.g. ferries, research

[13] Horizon Europe 2026-27 Work Programme - CL5-2026-05-D5-12). Indicative budget: EUR 21.00 million.
[14] Proposal for a revised Dir. to accelerate permit-granting procedure of infra projects (COM(2025) 1007 final).
[15] Examples potentially include direct acquisition of ferries for local, urban and island transport, oceanographic and research vessels, icebreakers, workboats, pollution control vessels, search & rescue vessels, training and salvage vessels, component procurement, repair and specialised services as naval, patrol and coastguard assets and technologies

vessels, icebreakers, tugs, drones[16]) and facilitate the readiness of Europe's maritime manufacturing sector to fulfil such demand.

In the context of the upcoming revision of the EU public procurement framework, the Commission will propose **targeted non-price requirements,** in compliance with international obligations, in selected strategic public procurement segments, in support of EU's industrial resilience and economic security objectives.

In addition, the Commission will assess external dependencies and needs for non-price criteria for procuring specialised vessels in the design of auctioning conditions for strategic maritime, renewable energy or underwater projects.

Public funding can also strengthen private demand for smart and clean products, promoting innovation and value creation in the EU. To this end, **targeted EU preference conditions to** protect strategic technologies and capabilities in line with international commitments, have been included in the proposals for the Multiannual Financial Framework (2028-2034), and in particular in the European Competitiveness Fund (ECF) proposal.

The new **Joint Communication on strengthening EU economic security[17]** strongly encourages the Member States, the EIB group and other international financial institutions as well as national promotional banks that are implementing national or EU budgets to integrate economic security considerations in funding decisions[18].

2.4 Ensure fair competition with third countries

The Commission aims to ensure fair competition globally and protect Europe's maritime manufacturing industry from harmful trade practices, such as predatory pricing, non-market-oriented subsidisation, Intellectual Property Rights' (IPRs) violation and forced technology transfers in third countries.

The Commission will launch a structured dialogue with the EU maritime manufacturing industry, possibly in the context of the Industrial Maritime Value Chains Alliance, with a view to further enhancing its intelligence capabilities to monitor global shipbuilding policy and market developments, strategic risks, threats to and opportunities for supply chain resilience as well as market access barriers in third countries. To this end, the Commission will *inter alia* leverage the new EU Industrial Maritime Value Chains Alliance as well as its EU delegations' network and the new Economic Security Information Hub, as announced in the new Joint Communication on strengthening EU economic security[19]. This will help better detect and identify areas where unfair trade practices in third countries are, or may become, harmful to EU shipyards and equipment manufacturers and inform potential trade measures or actions to ensure fair competition.

When it comes to better protecting the industry from harmful trade practices, the Commission will:

- **Assess options and propose where necessary and feasible a new sector-specific instrument[20],** or targeted amendments to its trade policy toolbox, in line with

[16] Taking into account and in synergy with the establishment of the multi-purpose EU Cable Vessels Reserve Fleet in line with the EU Action Plan on Cable Security (JOIN/2025/9 final) and with relevant actions under the Action plan on drone security and counter-drone security (COM(2026) 81 final).
[17] (JOIN (2025)977)
[18] This includes prioritising support to EU business that reduce foreign dependencies in critical sectors and preventing third country high-risk suppliers from accessing EU and national funding
[19] (JOIN (2025)977)
[20] Considering that Regulation (EU) 2016/1035 on protection against injurious pricing of ships cannot be applied due to non-ratification of the 1994 OECD Shipbuilding Agreement.

international obligations. Options will focus on specific segments key to Europe's strategic autonomy and economic security and where EU shipyards are still active but are experiencing unfair oversea competition[21].

- **Leverage existing and future trade and investment agreements** to protect and promote the interests of the EU maritime manufacturing base, including through market access, anti-subsidy, transparency obligations and IPR protection provisions.
- **Relaunch efforts towards a future international agreement in the area of shipbuildin**g that would tackle non-market practices in the sector.

The Commission will continue to foster a level playing field in export credits for ships by further developing the **Ships Sector Understanding (SSU)[22] in the OECD Arrangement on Officially Supported Export Credits**, including through specific provisions for zero and low emission ships. The Commission will equally work towards supporting EU shipyards, equipment manufacturers and service providers on third country markets through the **creation of a new EU-level financing tool for Export Credits[23].**

2.5 Strengthen the global ship recycling framework and advance maritime circularity

Ship recycling allows valuable materials such as steel, copper, and aluminium to be recovered and reused, reducing the need for virgin resource extraction and supporting circular economy principles. Over 16,000 ships are projected to be recycled over the next decade. The Commission will aim to **strengthen the Hong Kong Convention on Ship Recycling[24]** to offer an updated, more robust global framework. Ultimately, the objective is to reach full alignment between international rules and the EU Ship Recycling Regulation and ensure safe, sustainable and responsible recycling practices internationally.

Additionally, the Commission will explore ways to support the **expansion of domestic EU ship recycling capacity** by making it more cost-efficient and work with trading partners with ship-recycling capacity, starting with India, to foster high environmental and social standards, building on the EU Ship Recycling Regulation. As recycled materials will become increasingly valuable for green EU production, the Commission is prepared to assist stakeholders in developing EU *cradle-to-cradle* approaches in maritime industry across steelmaking, shipbuilding, and ship and scrap recycling clusters in Europe[25], fostering industrial synergies, opportunities and best environmental practices.

The Commission will continue supporting maritime circularity strategies from design to end-of-life and material recovery through R&I support[26]. The roadmap on the implementation of the circular economy for end-of life recreational boats[27], which sets targets to reach by 2030, will guide further efforts in this area.

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[21] E.g. ship types that are essential for military mobility and safety of supplies in times of crises, such as ferries and inland navigation vessels, as well as specialised ships that are key for safeguarding Europe's offshore energy and digital infrastructure

[22] This means establishing a level playing field (whereby competition is based on price and quality of the ships and not on the financial terms provided), and working to eliminate trade distortions related to officially supported export credits.

[23] This new tool would provide EU financial support to EU national Export Credit Agencies to enhance the competitiveness of their financial offers, including to international buyers of ships.

[24] Hong Kong International Convention for the safe and environmentally sound recycling of ships (2009)

[25] Potentially as part of the new EU Industrial Maritime Value Chains Alliance

[26] Building also on tools such as passports enabling a full lifecycle and material traceability system of ships and Shipyard Environmental Performance Indexes as developed under EU-funded projects *Circle of Life* and *EcoShipYards*

[27] Roadmap on the implementation of the circular economy for end-of-life recreational boats, developed in 2023 by the European Boating Industry in cooperation with the Commission

Flagship actions

- *Launch an EU Industrial Maritime Value Chains Alliance to foster leadership in lead markets*
- *Support European shipyards' digital, clean and circular transformation ("Shipyards of the Future")*
- *Leverage public procurement and EU funding as proposed in the MFF, in support of EU industrial leadership, including through public orders' pipelines and targeted non-price and economic security criteria*
- *Actions to ensure fair competition internationally for EU shipyards and equipment manufacturers, including export credits for ships and where necessary and feasible sector-specific trade measures*

3. TRANSPORT & CONNECT

Maritime transport as a strategic sector carries around 75% of the EU's external trade and 30% of intra-EU freight. The EU-controlled fleet is the world's largest, accounting for more than one third of global shipping tonnage across all segments. European operators maintain strong market positions in containerised and bulk transport, energy transport and highly specialised maritime services. Maritime passenger and freight connections are vital for EU islands and outermost regions, ensuring territorial cohesion and supporting local communities and tourism. Fleets that are EU-flagged and EU-controlled are internationally recognised for their exemplary standards in safety and security, innovation, and environmental performance[28].

At the same time, the EU maritime transport sector is operating in an increasingly complex environment of disruptions and political volatility, energy transition costs, an ageing workforce and intense global competition, particularly from East and Southeast Asia. Recent geopolitical developments have underscored yet again its strategic importance for the global trade of energy and goods. At the same time, they have highlighted the sector's growing exposure to international security challenges, which pose significant risks to freedom of navigation, but even more importantly - to the safety of vessels and their crews, and lead to increased transport and insurance costs.

Against this backdrop, this strategy seeks to safeguard the sector as a key provider of high-quality, efficient, secure and sustainable shipping services, while creating better conditions for the EU's manufacturing base.

Delivering on the objectives of this strategy requires a coherent policy and regulatory framework and cooperation at Union and national level. **The European Maritime Safety Agency (EMSA) serves as the technical and operational backbone of the Union's maritime transport policy**. It plays a key role in harmonised implementation and facilitates innovative and efficient solutions, including through its extensive knowledge base. It will also be key in supporting the implementation of regulatory actions set out in this strategy. Furthermore, EMSA provides technical assistance and support in capacity-building to maritime authorities in the Mediterranean.[29] ***3.1 Ownership and flags***

[28] IMO maritime safety and environmental protection conventions are transposed into the EU acquis. Member States are legally bound to apply them together with the EU specific rules, often under more stringent requirements than in other regions of the world

[29] with the NDICI-Global Europe funded programme SAFEMED V

Maintaining a substantial share of maritime assets and enhancing the attractiveness of EU flags will underpin the EU's position in global trade and safeguard lines of communication. It will also strengthen the EU's ability to shape global norms and policies on safety, security, labour, climate and environmental protection.

In this context the Commission will **continue to rely on the** Community guidelines on **State aid to maritime transport**[30] to assess Member States' support schemes (e.g. tonnage tax), which are a key tool for retaining the market shares and competitiveness of the domestic shipping sector and increasing the attractiveness of Member States' flags in the face of intense global competition. The Commission **urges Member States to further advance pragmatic measures** such as making national administrative processes more efficient [31], pursuing digital certificates, full digitalisation of registries, and using AI-driven tools to optimise procedures. On its side, the Commission will **establish** a **structured cooperation dialogue** with Member States and industry stakeholders aimed at boosting competitiveness and quality shipping, including in the context of the implementation of international and EU legislation on **compliance with Flag State requirements,** The Commission, together with Member States, will continue its efforts in the IMO to strengthen the regulatory oversight of flag states to effectively fulfil their responsibilities.

3.2 Energy transition and decarbonisation

Advancing the maritime sector's decarbonisation and pollution reduction, while maintaining its competitive edge, requires clear, predictable rules, including at global level. This can foster innovation and leadership in a rapidly evolving shipping market and stimulate demand for clean fuels and technologies in Europe.

The clean transition will require a combination of enhanced energy efficiency and the adoption of new propulsion technologies and alternative fuels. To create the conditions for a massive production and uptake of such fuels in *hard-to-abate* sectors, the Commission has unveiled the **Sustainable Transport Investment Plan (STIP)**[32]. For maritime transport, this will translate in the increased use of renewable and low carbon fuels and direct electrification, where feasible[33]. In this context, the Commission will also pursue an integrated market for biomethane, while calling upon Member States to ensure that national measures do not introduce indirect barriers to cross-border trade in bio-methane or limit its availability within the single market. The Renewable and Low Carbon Fuel Alliance will encourage discussions between shipowners, the sustainable fuels industry and financial institutions to advance the production and supply of renewable and low-carbon fuels in the waterborne sector.

Fuel EU Maritime and the inclusion of the shipping sector in EU ETS underscore the EU's commitment to shaping the clean transition of shipping, with a clear pathway for the sector to meet the EU decarbonisation targets. To further facilitate the implementation of these acts and reduce regulatory and administrative complexity arising from the current inconsistencies and overlaps, the Commission will **consider how to simplify and streamline the existing monitoring, reporting and verification framework (MRV),**

[30] C(2004) 43, OJ 2004
[31] Such as quality and smooth administration, risk-based approach, reduced waiting times, streamlined inspections
[32] COM(2025) 664 final
[33] Onshore power supply, electric ferries and short sea shipping

serving both EU ETS Maritime and FuelEU Maritime, delivering further synergies in the MRV compliance process[34].

The most effective way to address climate impacts from maritime transport and ensure a level-playing field is through ambitious global action, which would implement the IMO 2023 Strategy target for international shipping to reach net-zero GHG emissions by 2050. The EU will **pursue the work within the IMO and build bridges with international partners to work towards global solutions**, supporting the commitment of the EU shipping sector to decarbonise and the investments already made towards achieving this goal. In line with the existing legal commitments, the Commission will revise relevant EU legislation taking into consideration global measures at IMO in order to avoid double payment.

The Commission will also **facilitate cooperation between stakeholders by creating a European network of green shipping lanes and hubs.** This will build on existing initiatives, including the strategies on different sea basins and the European Maritime Space[35]. The aim is to increase predictability for investment decisions and coordinate sustainability projects on vessels operation, technology deployment, fuel supply and port infrastructure[36]. Where relevant, such action could involve EU candidate countries, based on the existing legal frameworks, such as the trans-European transport network[37].

3.3 Safety - a pillar of high-quality shipping and resilience

Safety is a strategic enabler of high-quality shipping services and a cornerstone of the competitiveness and technological leadership of the EU manufacturing sector. As shipping rapidly transitions to using alternative fuels, digitalisation and automation, safety protocols must evolve to manage new operational, technological and cybersecurity risks. The ageing of the EU-flagged passenger fleet further underlines the need of accelerating fleet modernisation[38].

At global level, IMO safety standards must keep pace with technological progress, including on alternative fuels and propulsion systems, energy-efficiency technologies, seafarer training and automated maritime transport. The EU will **strengthen its engagement in IMO to shape these standards, which will also help ensure a global level playing field**.

In the EU, a high level of maritime safety is ensured through the incorporation of IMO regulations into EU law. In 2026, the Commission will report on the EU Passenger Ship Safety Directive[39] and the Marine Equipment Directive[40] in preparation of their review, with the aim of **adapting the current requirements to the decarbonisation and digitalisation challenges**. In light of the critical importance of passenger ship safety and

[34] For instance, with regard to aligning applicable definitions and design elements and processes
[35] The European Maritime Space is a maritime dimension of the trans-European transport network
[36] Port infrastructure development is key to the energy transition and decarbonisation and is addressed in the EU Ports Strategy
[37] Regulation (EU) 2024/1679 of the European Parliament and of the Council of 13 June 2024 on Union guidelines for the development of the trans-European transport network, amending Regulations (EU) 2021/1153 and (EU) No 913/2010 and repealing Regulation (EU) No 1315/2013
[38] As highlighted in the EMSAFE report published by EMSA in December 2025.
[39] Directive 2009/45/EC of the European Parliament and of the Council of 6 May 2009 on safety rules and standards for passenger ships
[40] Directive 2014/90/EU of the European Parliament and of the Council of 23 July 2014 on marine equipment and repealing Council Directive 96/98/EC

secure regional connectivity, the Commission will consider **extending EU passenger ship safety requirements to all intra-EU routes**. Regarding offshore services, the Commission will examine the feasibility of **an EU framework for the mutual recognition of offshore service and industrial vessels**, including for the transport of industrial personnel or crews and for submarine cable laying and maintenance. The Commission will also **assess whether to extend the scope of the Marine Equipment Directive or existing mutual recognition arrangements between recognised organisations** to cover additional equipment. The aim would be to simplify approval processes and improve access to international markets, while ensuring the highest level of safety.

Significant challenges to maritime safety and environmental issues are related to the so-called 'shadow fleet'[41], largely composed of ageing vessels under unclear jurisdiction and control, that often operate outside normal flag transparency and compliance practices. This among others poses heightened risks to the marine environment including for areas designated as particularly sensitive, such as Baltic Sea. The Commission, in close cooperation with the EEAS, and with the support of EMSA, will **strengthen surveillance and monitoring of the shadow fleet[42] and improve the enforcement of existing rules**. Furthermore, it will deepen international cooperation to close remaining loopholes and uphold global maritime safety and environmental standards, including the enforcement of restrictive measures.

3.4 Simplifying administrative formalities to leverage Europe's waterborne single market potential

The complexity of administrative procedures arising from global, EU and national legislation poses a significant challenge for EU shipping, causing delays, increasing costs, and reducing overall efficiency[43]. This situation notably impacts short sea shipping, in particular smaller players, in the modal competition with road transport.

The procedures are expected to become significantly easier when harmonised reporting through the European Maritime Single Window environment (EMSWe)[44], is fully implemented. **The Commission calls on Member States to complete the implementation of the EMSWe Regulation.**

At broader scale, the Commission has proposed **an ambitious customs reform** that should foster efficient public private cooperation for the implementation of customs formalities across economic sectors, including maritime. According to the proposal, a Customs Data Hub[45] will be available to maritime operators from 2032. To facilitate trade, the Commission will pursue **a prompt interconnectivity between the Maritime National Single Windows and the future Customs Data Hub**.

[41] Defined by IMO in Resolution A.1192(33), adopted on 6 December 2023
[42] In December 2025 the Council approved a declaration on reinforcing the international law of the sea framework relating to threats from the shadow fleet and the intention to develop tools to address the threats.
[43] According to the European Commission's recent study on short-sea shipping, administrative formalities may account for up to 5% of a vessel's total operational costs
[44] Regulation (EU) 2019/1239 of the European Parliament and of the Council of 20 June 2019 establishing a European Maritime Single Window environment and repealing Directive 2010/65/EU
[45] The Customs Data Hub would be a set of electronic services and systems to use data for customs purposes and allow for the electronic implementation of customs legislation.

While the above measures facilitate compliance, it remains equally key to reduce the data that ships must report when they call at EU ports. Currently ships can be required to submit up to 1,200 data elements, two thirds of which stem from national laws[46]. With the aim of harnessing the full potential of Europe's waterborne single market, the Commission **calls on Member States to work jointly towards simplifying and streamlining national and EU reporting requirements.**

The Commission will **consult the maritime industry** on identifying further simplification of administrative procedures and data requirements.

3.5 Pursuing EU interests at international level

As a major economic power, the EU's involvement in international shipping is pivotal, not only for supporting its own economic growth but also for steering global maritime policies towards level playing field, sustainability, security, and technological innovation.

The Commission will therefore, together with the EU Member States, **intensify its efforts in IMO** and will seek to **maximise EU impact through broader alliances with international partners.**

For supply chain resilience, maritime chokepoints (i.e. critical nodes for global trade and military mobility) and emerging routes such as in the Arctic[47] deserve particular attention. The **Commission urges Member States to step up collaboration and allocate sufficient resources to bolster the EU's strategic presence, including naval, in these critical areas**, to ensure continuity in access to international maritime transport routes, so as to protect Union's security. Furthermore, concerned Member States should be able to seek support, from other Member States or the EEAS, to assist, via diplomatic channels, ships flying their flag that are detained or at risk to be detained, as circumstances require.

The Commission remains firmly committed to **the inclusion of comprehensive commitments on international maritime transport services in free trade agreements**. These efforts should improve market access conditions and non-discriminatory treatment for EU operators in third countries, including access to ports and the use of auxiliary services[48]. Overall, **the EU could seek more balanced and reciprocal commitments in its maritime trade policy**, in particular from partners that impose restrictions such as cargo reservation schemes and discriminatory port fees.

Member States need a predictable legal framework to ensure compliance with EU law when managing their **bilateral maritime partnerships[49]**. The **Commission will propose legislation** setting conditions for Member States to declare existing bilateral agreements compatible with EU law and to negotiate and conclude new agreements that advance EU interests.

EU shipping companies need reliable and competitively priced access to alternative fuels and infrastructure along global routes and hubs. The Global Gateway Green Shipping

[46] Own analysis
[47] Through the forthcoming review of Union's Arctic policy
[48] Such as cargo-handling (including container terminals), storage and warehousing services, agency activities and freight forwarding
[49] In light of CJEU's 2017 Singapore Opinion, which confirmed that the EU holds exclusive competence to negotiate and conclude international maritime transport services agreements where such agreements may affect or alter existing EU rules.

Corridors and Hubs initiative[50] advances the uptake of clean and alternative fuels through win-win partnerships with third countries. To safeguard investments and protect EU interests in international supply chains, the Commission will **integrate security and safety requirements into the development of Global Gateway port and value chain partnerships** with developing countries. It will further reinforce this approach by deepening partnerships with developed third countries hosting key global shipping hubs.

In the context of the Pact for the Mediterranean,[51] the Commission will promote the development of efficient and sustainable transport links and enhanced security of the Union.-

3.6 Support for the inland navigation, cruise and boating industry sectors

To fully harness the untapped potential of inland waterway transport (IWT) within the European transport system, the European Commission will propose a **follow-up to the NAIADES III programme**. This initiative will focus on addressing critical challenges to IWT competitiveness, including the modernisation of inland ports, the enhancement of infrastructure resilience, and the adoption of innovative technologies, such as automated systems and zero- or low-emission vessels.

The EU's upcoming **sustainable tourism strategy** will continue to **promote the sustainable growth of the tourism ecosystem**, including the cruise and boating industries

Flagship actions

- *Pursue work within the IMO towards global solutions and revise relevant EU legislation taking into consideration global measures at IMO in order to avoid double payment*
- *Consider how to simplify the monitoring, reporting and verification framework for EU ETS and FuelEU Maritime and streamline administrative formalities for shipping operations*
- *Pursue global ambition, including through reinforced engagement at IMO work, foster strategic partnerships with third countries and ensure smooth functioning of global maritime markets*

4. SECURE & PROTECT

The maritime domain faces increasing threats, both at the surface level and on the seabed. The threats underscore the need for robust **naval, icebreaking, underwater and dual-use capabilities** to support EU defence, Arctic security, critical infrastructure protection and military mobility needs. Tackling these challenges can create opportunities for growth in the EU maritime industry, including by leveraging and fostering production of dual use vessels, platforms and technologies.

4.1 Enhancing Europe's naval industrial and technological base

The evolving geopolitical landscape requires the development of cutting-edge naval systems, ships and platforms capable of operating in an integrated manner in challenging,

[50] Global Gateway - International Partnerships - European Commission
[51] JOIN(2025) 26 final

multi-domain threat environments, including, where necessary, extreme climatic and geographical environments (e.g. the Arctic).

To reach the defence readiness objectives for 2030, there is a compelling EU and national interest in scaling up naval production capacities[52]. **Member States may use the different opportunities under the ReArm Europe Plan[53], which aims to mobilise up to EUR 800 billion in defence spending by 2030,** to strengthen naval industrial and technological capabilities. This includes supporting the development of standardised interfaces and protocols, facilitating interoperability between European navies, integrating systems from different manufacturers, and fostering strategic capability areas[54].

The European Defence Fund (EDF) will continue to strengthen the capacity of EU naval system integrators and equipment suppliers by supporting collaborative R&D topics in line with the Capability Development Plan priorities[55].

Furthermore, the **European Defence Industry Programme** (EDIP) will support the ramp-up of industrial production capacities, offsetting the cost of cooperation in joint procurement. It will also support moving from prototype to production at scale bridging European Defence Fund (EDF) supported R&D activities.

4.2 Securing technological leadership in maritime domain awareness

The protection of critical underwater, port and offshore infrastructure requires a multi-domain approach including technologies such as underwater and surface drones, sensors, early warning systems, underwater communication systems, launch and recovery systems, and drone-carriers. Closer cooperation between governments and industry is needed to create complex situational awareness architectures integrating advanced technologies through a unique command and control system. This creates at the same time opportunities for anchoring EU maritime industrial leadership in an emerging, strategic segment.

The **EU Action Plan on Cable Security[56]**, which outlines the development of an Integrated Surveillance Mechanism for Submarine cables per sea basin hubs, and the **Action Plan on drone and counter-drone security[57],** with industrial measures for drones such as a joint purchasing initiative, will help ensure timely threat detection and response capabilities.

To strengthen EU-level maritime domain awareness from space to seabed and address missing capability gaps, it will be important to leverage Europe's maritime industrial base,

52 The Commission will assess the EU naval sector's needs, its supply chain, the degree of dependency of the EU and need to maintain strategic inventories. A study is planned to be launched in Q3 2026 under Horizon Europe Working Program 2026-2027 (Scientific and technical services by the Joint Research Centre (Resiliency of the waterborne transport supply chain).

53 JOIN(2025) 27 final

54 Including dual use vessels and technologies, special purpose vessels for the maintenance of offshore and underwater infrastructures (e.g. cable-laying, maintenance and repairing ships) and sealift capabilities (e.g. ferries, icebreakers, hospital ships, crew support ships, offshore support vessels, dredgers, tugs)

55 Naval combat and maritime interdiction in all the three key areas, namely the upgrade of current naval surface systems, next generation naval surface combat systems, and long-range armed manned and unmanned maritime systems. For details, see EDA – The 2023 EU Capability Development Priorities

56 JOIN/2025/9 final

57 COM(2026)81

building on the Ocean Pact and other existing EU initiatives[58] in this area, to further support:

- Increasing R&D of technologies and military/dual use systems for command, control, communication, intelligence, surveillance and reconnaissance
- Common procurement of unmanned sea drones and communications systems for naval vessels, coast guard, and port authorities, ensuring coordination
- Investment in and development of cybersecurity solutions and integrated systems combining surveillance capabilities to enable a comprehensive and coordinated approach to maritime security and port protection.

In this regard, the Commission encourages Member States to make use of the opportunities offered by EDIP, in particular the possibility of establishing **European Defence Projects of Common Interest,** including in the area of **maritime domain awareness.**

4.3 Supporting military mobility and emergency preparedness

The Military Mobility Joint Communication[59] underlines the role of dual-use transport, including maritime, in enabling military mobility and emergency preparedness. It also underscores the need for the EU to expand its industrial capacity to deliver military mobility capabilities. In this respect, the dual use potential of European ferries is important. It can play a key role in the rapid and efficient transport of troops, vehicles, and equipment across short and medium sea routes as well as in evacuation and emergency relief. This will offer opportunities to rebuild domestic industrial capacity in this strategic segment and create a snowball effect for the maritime manufacturing base.

To this end, the Commission will propose to **pursue a dual-use ferry construction support mechanism[60]** to mobilise financial resources for investments linked to additional military specifications for dual-use ferries built in Europe and deployable on strategically important routes. As part of this programme, the Commission will work with the European Defence Agency, and potentially EMSA, as well as EU Military Staff, to develop standards for dual-use maritime transport assets, complementing the proposed Military Mobility Regulation[61] and ensuring consistency with NATO standards.

The Commission will moreover **pursue solid and binding IMO cybersecurity rules to reduce general maritime cyber risks for civilian vessels** in consistency with the respective EU measures, such as NIS2 Directive[62], Cyber Resilience Act[63] and the recent proposal for a revised Cybersecurity Act[64], aimed to further strengthen the EU's cybersecurity resilience and capabilities in the face of these growing threats.

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[58] E.g. the EU Maritime Security Strategy (14280/23), the Common Information Sharing Environment for the maritime domain, the EU Action Plan on Cable Security, Action Plan on drone and counter-drone security, EMSA-hosted hubs and the EU Space Programme (Regulation (EU) 2021/696) which establishes Copernicus, Galileo, EGNOS, GOVSATCOM and space safety services that support maritime navigation, surveillance, communications, and domain awareness.

[59] JOIN(2025) 846 final

[60] in line with relevant State aid rules where applicable

[61] SWD(2025) 847 final

[62] Directive (EU) 2022/2555

[63] Regulation (EU) 2024/2847; the Act requires products with digital elements to comply with cybersecurity requirements. While marine equipment is excluded from its scope, it may still apply to the maritime sector for products not classified as marine equipment, such as software.

[64] COM(2026) 11

Flagship actions

- *Support the ramp-up of naval industrial production capacities, including through the new European Defence Industry Programme and ReArm Europe Plan*
- *Propose to pursue a Dual Use Ferry Construction support programme*

5. ACCESS TO INNOVATION

Innovation and investment in advanced technologies such as clean tech, circularity, digitalisation, automation, AI and smart ship design is essential to boost the competitiveness, sustainability and resilience of both EU maritime manufacturing and shipping sectors. Therefore, it is crucial to tackle the barriers such as regulatory uncertainty, fragmentation of public and private R&I investment efforts and limited testing capacity.

5.1 Enhance the policy framework to foster EU leadership in innovative technologies

The future of the EU waterborne ecosystem will depend on the ability to identify and scale up new technological solutions in clean tech and digital and automated systems and provide targeted policy support to enhancing the EU industrial base.

Technologies such as fuel cells, electric and wind propulsion, control of fugitive emissions, CO2 transport, carbon capture and storage, shore-side electricity supply and offshore renewables[65] are only some of the technologies that offer significant emissions-reduction potential and market opportunities. Most of them are recognised in the Net Zero Industry Act (NZIA) that aims by 2030 to enhance EU manufacturing capacity for net-zero technologies. In addition, recent studies carried out by EMSA highlight benefits of air lubrification, and IMO work has advanced on guidelines for batteries, advanced heat waste recovery, fuel cells and carbon capture and storage systems.

Wind-assisted propulsion is an example of a technology that builds on strong European manufacturing expertise[66]. To support its uptake, the Commission will work to refine the methodology for accounting wind propulsion energy and address regulatory gaps at EU and IMO level.

In addition, **nuclear propulsion**, including small modular reactors (SMRs) and advanced modular reactors (AMR) warrant coordinated strategic oversight in light of renewed global interest and early industrial developments. The Commission will pursue work towards a robust policy framework enabling use of nuclear power propulsion in commercial shipping[67] and contributing to achieve a global technological and industrial leadership position.

The Commission, supported by EMSA, will coordinate work on the assessment of technological developments, including technological readiness and safety. To help de-risk investments and contribute to scaling solutions, promising technological developments

[65]Such as offshore wind foundations and floaters, tidal stream energy, wave energy offshore substations and converters
[66] Over the past five years, this area has received more than EUR 36 million in Horizon Europe funding
[67] Including through a dedicated topic in the Horizon Europe Cluster 5 Work programme Call 2027

will be further assessed and reflected in EU law such as the FuelEU Maritime Regulation and the EU taxonomy[68] as well as at IMO level as appropriate.

The Commission will update, where needed, the EU single market framework to support innovation and clean tech deployment in specific maritime manufacturing segments. To this end, it will propose a **targeted amendment to the regulation on non-road mobile machinery emissions**[69] to allow hydrogen as reference fuel for non-road mobile machinery engines in inland navigation vessels. In addition, the **ongoing evaluation of the recreational craft directive**[70] **focuses on assessing the rules on novel watercraft and novel propulsion systems in this segment.**

To advance the safe deployment of autonomous vessels, the Commission will pursue a **regulatory and technical framework for unmanned shipping solutions** both at IMO and EU levels. Since 2016, EU work on maritime autonomous surface ships (MASS) has contributed to the IMO MASS Code, to be adopted in 2026 and mandatory by 2032. Ahead of large-scale deployment of autonomous ships, the Commission, supported by EMSA, will **issue EU guidelines and best practices for designated tests and trials at sea as well as risk assessment**[71] to support implementation in Member States and contribute to EU tech leadership.

5.2 Promoting synergies, coordination and addressing obstacles to the industrial scaling up of innovation

To **strengthen the EU technological leadership,** the Commission will seek the reinforcement of public-private cooperation under the 2028-2034 Horizon Europe Framework Programme in priority areas and based on a portfolio approach. In waterborne transport, this will build upon the achievements of the current co-programmed **Zero Emission Waterborne Transport Partnership (ZEWTP)** with a view of **strengthening and expanding the EU action** in this area**,** to foster synergies and scale effect between decarbonisation, digitalisation, automation and circularity in the broader waterborne ecosystem.

The Commission encourages **Member States to further support the rapid uptake of innovation including tests beds and regulatory experimentation** contributing to Europe's maritime technological leadership, industrial sovereignty and twin transition objectives. The forthcoming **EU Ocean R&I Strategy** will improve testing processes for ocean technologies, such as underwater robotics, for different applications to help EU manufacturers deploy them faster and cheaper.

In implementing the **European Strategy on Research and Technology Infrastructures**[72], the Commission will map and assess research and technology infrastructures including for waterborne transport. It will also promote the access to such infrastructures for EU maritime start-ups, scale-ups, SMEs and mid-caps.

[68] Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852

[69] Regulation on requirements relating to gaseous and particulate pollutant emission limits and type-approval for internal combustion engines for non-road mobile machinery (Regulation (EU) 2016/1628)

[70] Directive 2013/53/EU of the European Parliament and of the Council of 20 November 2013 on recreational craft and personal watercraft and repealing Directive 94/25/EC Text with EEA relevance

[71] e.g. the Risk Based Assessment Tool (RBAT) developed by EMSA

[72] COM/2025/497 final/2

To help **prevent EU-funded technology leakage**, the Commission will address research and innovation security ensuring a systematic and rigorous enforcement of existing tools[73] and identify any remaining gaps.

The Commission will **launch the European Ocean Observation Initiative OceanEye**, one of the cornerstones of the European Ocean Pact. Enhancing ocean observation and the development of related technologies will create new opportunities for EU maritime manufacturers.

Flagship actions

- *Update the regulatory framework to foster EU leadership in innovative technologies including wind propulsion, nuclear propulsion and autonomous ships.*
- *Strengthen and expand the scope of R&I support for waterborne sector, building on the achievements of the current co-programmed Zero-Emission Waterborne Transport Partnership*
- *Launch the Ocean Observation Initiative (OceanEye)*

6. ACCESS TO FINANCE & INVESTMENT

Recent studies estimate annual financing needs for EU vessel fleet decarbonisation at between EUR 2.4 billion and EUR 8.5 billion. Significant investments needs have been identified for inland navigation vessels and specialised segments, like offshore wind vessels, submarine cable vessels or emerging ocean technologies[74]. The digital transformation of EU shipyards is furthermore estimated to require between at least EUR 3 billion and 7.5 billion investments. Meeting these investment needs requires the coordinated use of current and future EU funding, national measures, and actions to attract private capital across the entire investment journey. Dedicated advisory, matchmaking and project pipeline tools, such as the EU Ship Financing Portal, BlueInvest, Europe Enterprise Network (EEN), EIB Advisory through InvestEU Advisory Hub, Innovation Fund Project Development Assistance (IF PDA), will facilitate access to resources and create favourable conditions for financing projects.

The Commission calls on the Member States, financial institutions, and national promotional banks to enhance support to waterborne projects, including through guarantees for both ship construction and acquisition financing, in line with relevant State aid rules where applicable.

6.1 Financing investments through EU instruments

Over 2026 and 2027 the Commission will mobilise a wide range of available resources and existing instruments in support of the EU waterborne cluster, including maritime manufacturing and shipping, across the investment cycle.

Targeted grants, effective risk-sharing mechanisms and innovative financial schemes are key to leverage private investments in the sector. In this regard, the Commission will **support the renewal and decarbonisation of the shipping fleet,** with a particular focus

[73] The Commission can for example, in duly justified cases exclude certain third country entities or EU entities controlled by certain third countries from participating in research and innovation and digital capacities deployment projects to protect the Union's strategic assets, interests, autonomy, or security. It can also assess the impact of the transfer of results of Horizon Europe (including intellectual property) generated by EU funded research to non-associated third countries and object to such transfers.

[74] European Investment Bank, European Blue Champions - Charting the course for innovation finance, 2025

on ferries and coastal vessels, **under the Connecting Europe Facility (CEF)** through a call in 2026. This action is conceived to pursue the transition of the EU shipping sector, while fostering the development of the European Maritime Space as well as domestic manufacturing capacity and made in EU technologies. Since 2014, CEF already provided support for different type of vessels and interventions, equal to EUR 220 million. Moreover, in February 2026, the Commission **amended the CEF - Digital Work Programme to allocate EUR 347 million to strategic submarine cable projects,** launching a EUR 20 million call for enhancing Europe's repair capacities.

Through **InvestEU**, the Commission expects to **mobilise around EUR 1-1.5 billion**[75] in **investment in the waterborne sector by 2027** out of which one third will materialise in 2026-2027, including for fleet renewal and retrofitting throughout all stages of development[76]. A promising initiative is the recently established equity-based Atlante Marine Fund[77]. Furthermore, the **Blue Economy product[78], supported by InvestEU and the EMFAF[79]** and implemented by the EIB Group, provides venture capital and private equity investments to start-ups and SMEs, including in shipbuilding and retrofit, shipping and blue tech. It **aims to mobilise approximately EUR 800 million in investment.**

For demonstration and pre-deployment, through the **Innovation Fund, the Commission has committed 20 million EU ETS allowances (EUR 1.5 billion**[80]) until 2030 to support emissions reductions and advance innovation across the maritime sector, from ports to shipbuilding. Since 2020 the Fund has supported 13 maritime projects with around EUR 600 million[81]. Building on these results, and as part of the commitment to dedicate 20 million EU ETS allowances to the sector, the Commission will open, in 2027, **a dedicated maritime call**. The budget and scope of this call will be determined as appropriate by the Commission notably based on the remaining Innovation Fund budget and the ETS pricing. In addition, for future general calls, the Commission will assess the Innovation Fund's implementation and its specific preference provisions for maritime projects so as to further enhance the decarbonisation of shipping. Member States are encouraged to leverage Innovation Fund resources through its "Auction as a Service" and "Grants as a Service" mechanisms, allowing to allocate additional national funds to support maritime projects.

Under Horizon Europe, the Commission has already allocated EUR 345 million in the period 2021 – 2024. It **will further allocate EUR 184.5 million to finance Research and Innovation (R&I) actions for waterborne transport** until 2027[82], including EUR 159.5 million to finance ZEWT and EUR 8 million for a topic on Solid Oxide Fuel Cells[83]. For

[75] Investments areas already supported by InvestEU include low and zero emission ferries, offshore wind parks, uncrewed surface vessels for the offshore wind energy sector, wind assisted propulsion and underwater technologies.
[76] Including through scaling up cross-sectorial InvestEU products that can be used to support the SMEs and small mid-caps in the shipping and shipbuilding sectors, including the Sustainability Guarantee and Digitalisation and Innovation Guarantee, managed by the European Innovation Fund (EIF).
[77] Supported by the European Investment Fund (EIF) through InvestEU programme and focused on facilitating the energy transition of fleets, especially for small and medium-sized owners
[78] Implemented by the European Investment Fund
[79] European Maritime, Fisheries and Aquaculture Fund
[80] With a price of EUR 75 per EU allowance
81 On top of this, the sector also benefits from the even larger budget dedicated to transport relevant e-fuel projects
[82] Through Horizon Europe WP 2025 and 2026-27
[83] HORIZON-JU-CLEANH2-2026-03-04: Multi-fuel SOFC powertrain for maritime transport

naval R&D[84]**,** EUR 130 million will be available under EDF calls currently open (2026) on topics such as enhanced semi-autonomous surface vessels and seabed infrastructure protection.

In the **next Multiannual Financial Framework**, the proposed **European Competitiveness Fund (ECF)** can help the sector get EU innovations on the market. Under the ECF, the Commission could support investments in clean, digitalised vessels as well as innovation and modernisation of shipbuilding, offshore energy, and blue tech. The ECF could also support collaborative defence R&I and industrial scale-up as well as dual use of civilian-military assets[85]. The ECF financial support is proposed to be closely coordinated with funding under the future **Horizon Europe programme**[86].

The EIB Group, that lends on average[87] EUR 600 million per year for projects in the broader waterborne transport, including shipping, remains committed to supporting the sector's financing needs and facilitating access to funding for businesses of all sizes[88]. The Group stands ready to ensure a credible pathway from innovation and pilot projects to full-scale deployment, including through its TechEU programme[89] supported by InvestEU.

6.2 Leveraging support measures at European, national and regional level

Shared-management funds implemented by Member States or regions can support investments under the new MFF proposal via National and Regional Partnership Plans, in line with the objectives of this strategy[90].

Significant and dedicated resources for financing decarbonisation can be mobilised through the EU Emissions Trading System (ETS) revenues auctioned by EU Member States following the extension of the system to maritime. As Member States are legally required to use revenues from the EU ETS for investment in climate measures, the Commission **strongly encourages Member States to allocate a part of ETS revenues** to maritime decarbonisation investments across the maritime cluster in Europe[91]. To maximise impact and achieve synergy effects at EU level, including between shipowners, shipyards, technology and fuel suppliers and port stakeholders, the Commission will coordinate Member States' efforts and facilitate exchange of best practices, including possibly through guidelines.

To further facilitate maritime decarbonisation and support EU's industrial resilience and leadership, the Commission will consider under the forthcoming ETS review **a dedicated EU mechanism to directly support shipping companies with ETS allowances** for the

[84] Since 2019, a total EUR 1.1 billion have been earmarked and committed at EU level to boost naval capabilities. EDIDP / PADR / EDF projects launched, in progress or completed (between 2019-2024) include 35 collaborative projects with €834.9 million committed, resulting in 6 prototypes and 10 more expected by 2030. EUR 142 million have been earmarked under EDF calls with projects currently in selection (2025)

[85] E.g. to incentivise the procurement of dual use transport equipment, support the reinforcement, modernisation, expansion and repurposing of industrial capacities for the production and maintenance of products contributing to and improving military mobility as well as training, reskilling, and upskilling of personnel.

[86] The collaborative research and innovation activities for the Competitiveness part of Pillar II of Horizon Europe will be integrated in a specific dedicated part of the work programmes under the European Competitiveness Fund.

[87] For the period 2015-2024

[88] Including in areas such as shipping, innovation, advanced manufacturing and defence

[89] TechEU - European innovators one-stop shop

[90] In line with relevant State aid rules where applicable

[91] Such as production and uptake of sustainable fuels, improvement of the energy efficiency of ships, fleet renewal, investments in innovative clean marine technologies, and sustainable infrastructure and OPS in ports.

uptake of sustainable fuels and clean propulsion technologies linked to targeted EU preference criteria.

The Commission calls on the Member States to leverage the new **Clean Industrial Deal State Aid Framework (CISAF)** to support investments in industrial decarbonisation and energy efficiency, including in maritime manufacturing facilities, as well as for expanding manufacturing capacity in maritime-relevant net-zero technologies[92].

The forthcoming **Land and Multimodal Transport Guidelines** and new **Transport Block Exemption Regulation** will enable investment aid measures aimed at supporting inland navigation vessels' fleet renewal[93] and installation of cranes on board of inland vessels. They will also allow for operating aid measures to cater for external costs reduction when switching to multimodal options including short sea shipping or inland waterways, compared to road only transport.

6.3 Addressing ship finance regulatory issues

The share of global shipping portfolios held by European banks has constantly declined over the recent years, falling from 72% in 2013 to 49.7% in 2023[94]. Trends vary across Member States, with sharp decreases in some and stable or even increasing bank exposure to shipping in others. In general, however EU shipping companies are increasingly seeking financing opportunities at third country banks and leasing institutions offering attractive financing products. This situation may generate a strategic liability for the EU and undermine its economic security and industrial interests, as foreign institutions may retain ownership of the leased vessels and impose local content requirements. A coherent and predictable regulatory environment should help stimulate ship financing in the EU and encourage investors to commit capital to green maritime projects in Europe.

The Commission **will revise the EU Sustainable Finance Taxonomy criteria[95] related to the waterborne sector,** to better reflect the sector's unique needs, technological realities and climate transition pathways. New criteria, expected to be published in Q2 2026 could be considered in relevant state aid instruments for fleet renewal and retrofitting investments[96].

At the level of capital markets, **the EU Savings and Investments Union strategy will help channel more investments into the economy** through removing barriers, facilitating securitisation, incentivise institutional investments and cross border capital mobilisation.

Flagship actions

- *Support the renewal and decarbonisation of the shipping fleet under the current Connecting Europe Facility while fostering domestic industrial capacity*

[92] These include fuel cells, electric propulsion technologies for waterborne transport, wind propulsion technologies, CO2 transport technologies, carbon capture and storage technologies, shore-side electricity supply equipment, offshore renewables technologies, such as offshore wind foundations and floaters, tidal stream energy technologies, wave energy technologies, offshore substations and converters.

[93] Namely for SMEs and SMCs, in the form of guarantees.

[94] Research Petrofin-Global-Bank-Research-and-Petrofin-Index-of-Global-Ship-Finance-end-2022.pdf

[95] Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852

[96] The General Block Exemption Regulation ("GBER"), which will be revised in 2026, includes specific sections regarding aid to support the acquisition of clean and zero-emission vessels or the retrofitting of existing vessels. Similarly, relevant sections are included in the Climate, Environment protection and Energy Aid Guidelines ("CEEAG"), adopted in January 2022.

- *Consider under the forthcoming ETS review an EU mechanism to support the uptake of sustainable fuels and clean propulsion technologies*
- *Encourage Member States to allocate part of ETS revenues to maritime decarbonisation investments in Europe*
- *Revise the EU taxonomy criteria to improve access to sustainable finance and incentivise sustainable investments*

7. ACCESS TO SKILLS AND QUALITY JOBS

Increasing the attractiveness of working in the EU maritime cluster is essential. A skilled and motivated workforce underpins efficiency and productivity, enables adaptation to technological change, ensures knowledge retention and transfer, and supports sustainability objectives while contributing to a competitive, resilient and innovative EU maritime ecosystem.

7.1 Up- and re-skilling the EU shipbuilding workforce and seafarers

Technological evolution, the uptake of alternative fuels, increasing automation and digitalisation are driving demand for high-skilled seafarers, shore-based professionals and workers in shipbuilding and maritime manufacturing. Strategic investment in education and training is necessary to prevent labour shortages, secure intellectual property, reduce dependence on non-EU workers and safeguard know-how within the Union.

The Mobility Transition Pathway[97] highlights major up- and re-skilling needs with up to 40% of the shipbuilding workforce expected to retire by 2030. In the Pact of Skills[98] on Shipbuilding, industry partners committed to up- and re-skill 7% of employees annually and to attract 234,000 new workers by 2030. In the shipping sector up to 250,000 seafarers will require re-skilling and up-skilling to address emerging technological and fuel-related needs.

Aligned with industry needs, the Commission will support education institutions and social partners in **identifying current and future skill gaps** and in **developing re-skilling and upskilling programmes**[99].

7.2 Mobility, attractiveness and quality jobs

Attracting and retaining qualified personnel remains a challenge. The Commission stands ready to assist Member States in making the maritime careers move attractive and promoting mobility between sea- and shore-based roles, while supporting lifelong careers across the maritime cluster and job creation including in coastal and island communities. To enhance mobility within the cluster, **the Commission will support social partners and maritime education institutes in mapping maritime professions**. This will also help retain experience and strengthen the European industrial base.

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[97] Transition pathway for the EU mobility industrial ecosystem (2024) https://ec.europa.eu/docsroom/documents/57674

[98] Within the Pact for Skills, other large-scale Skills Partnerships relevant for maritime manufacturing have been established also in Aerospace and Defence and in Offshore Renewables.

[99] Including through the upcoming Blue Generational Renewal Strategy, expected to be published in 2027. Further action will also build on the work already started by the MED-NET platform, created as a follow up of the SkillSea project, and Pact for Skills on Shipbuilding. The Study to Support and Design Skills Development in the Blue Economy (2025) and the BlueComp – Competence Framework initiative will be also taken into account. A Skills Agenda will also be developed in the framework of the Pact for the Mediterranean to address the skills of the workforce and align training with the needs of industry.

Women are underrepresented in maritime careers, especially in seafaring but also in shore-based professions. The Commission will support social partners and other organisations in increasing the participation of women in the maritime sector.

The European maritime education space needs to become borderless. Ensuring mutual recognition of degrees, qualifications and certificates within the maritime cluster across the EU, and where possible with third countries, is a priority. The Commission will support and coordinate the **creation of a network of maritime higher education institutions (MHEIs) and vocational training centres** across the EU. Importantly, the Commission will assist Member States in removing barriers to student and academic staff mobility, including by **promoting further participation of maritime higher education institutes in Erasmus**+.

Recent crises have shown that seafarers and other maritime personnel, including manufacturing workers, are key workers[100]. Their work is vital to keep the world moving and to ensure the resilience of the EU industrial base and supply chains.

The maritime labour sector faces persistent challenges related not only to skills shortage but also working conditions both onboard and ashore. Supporting quality jobs requires strong **social dialogue,** fair working conditions and safe workplaces. Implementation and enforcement of EU labour legislation, including the **Posting of Workers Directive** [101]and the occupational health and safety acquis, are essential to ensure a level-playing field and attractive employment[102].

The Commission **will work with Member States to enhance labour standards at ILO** and the cooperation with the IMO and ILO to ensure uniform enforcement of regulations and unified **protections for seafarers**, thus contributing to global level playing field. One area where progress is needed is addressing divergent social security schemes for seafarers. The Commission will promote better coordination of such schemes, including through strengthening the role **of the European Labour Authority, notably to enhance** concerted actions and joint inspections, while ensuring alignment of the EU legislation and international standards.

Flagship actions

- *Create a network of maritime higher education institutions and vocational training centers across the EU providing education and training for maritime cluster jobs including re- and up-skilling programmes.*
- *Encourage and support Member States in increasing participation of maritime higher education in Erasmus+ and associated initiatives by facilitating procedures and removing barriers to learning mobility.*

8. CONCLUSION

This strategy constitutes a structured action plan requiring a concerted effort by all relevant stakeholders, including the EU institutions, Member States, industry, regions, social

[100] https://docs.un.org/en/A/RES/75/17
[101] The directive does not apply to merchant navy undertakings as regards seagoing personnel
[102] The Quality Jobs Roadmap provides a renewed commitment and basis for ensuring workers' rights while keeping up with technological, economic and societal changes.

partners and civil society. The Commission is committed to ensuring its effective implementation and the achievements of its objectives jointly with all the above stakeholders. To this end, the Commission will launch a **high-level Maritime Industries and Ports Board,** chaired by the responsible Commissioner and EVPs with a view to have a continued exchange on the implementation of the actions outlined in both **the EU Industrial Maritime and Ports strategies**, and to collect feedback on developments in the market.

ANNEX: SUMMARY OF MEASURES (to be updated based on final main text)

<u>Pillar I – Build, Equip and Repair</u>

The Commission will:

- Launch an EU Industrial Maritime Value Chains Alliance to strengthen Europe's industrial sovereignty and technological leadership in selected lead markets in maritime manufacturing and emerging technologies (*2026*)
- Rolling out a "Shipyards of the Future" R&I Flagship call under the Horizon Europe 2026-27 Work Programme (*ongoing*)
- Simplify and speed up permitting procedures through the proposed Industrial Accelerator Act, including in maritime manufacturing facilities (*2026*)
- Work with EU/EEA Member states to identify and facilitate a multi-year, aggregated pipeline of public orders across EU/EEA public buyers to create a longe-term aggregated demand signal (*2026-27*)
- Propose targeted non-price requirements, in compliance with international obligations, in selected strategic public procurement segments in the context of the upcoming revision of the EU public procurement framework *(2026*)
- Launch a structured dialogue with the EU maritime manufacturing industry with a view to further enhancing its intelligence capabilities to monitor shipbuilding policy and market developments, strategic risks, threats to and opportunities for supply chain resilience, as well as market access barriers in third countries (*2026*)
- Assess options and propose where necessary and feasible a new sector-specific instrument, or targeted amendments to its trade policy toolbox, in line with international obligations, with a focus on specific segments key to Europe's strategic autonomy and security and where EU shipyards are still active but are experiencing unfair oversea competition
- Leverage existing and future trade and investment agreements to protect and promote the interests of the EU maritime manufacturing base, including through market access, anti-subsidy, transparency obligations and IPR protection provisions (*continued*)
- Relaunch efforts towards a future international agreement in the area of shipbuilding that would tackle non-market practices in the sector (*continued / long-term action)*
- Foster a level playing field in export credits for ships by further developing the Ships Sector Understanding (SSU) in the OECD Arrangement on Officially Supported Export Credits, including through new provisions on zero and low emissions ships *(2026-27*)
- Create a new financing tool for Export Credits to ensure a better level playing field on third country markets for export-oriented industries such as maritime manufacturing (*ongoing*)
- Strengthen the Hong Kong Convention on Ship Recycling with a view to ultimately reaching full alignment between international and EU rules (*continued*)
- Explore ways to support the expansion of domestic EU ship recycling capacity and work with trading partners with ship recycling, starting with India, to foster high environmental and social standards, building on the EU Ship Recycling Regulation (*continued*)
- Support maritime circularity strategies from design to end-of-life and material recovery through R&I support (*continued*)

Member States are invited to:

- Prioritise funding support for projects supporting economic security and reducing foreign dependencies in the sector, building on the new Joint Communication on strengthening EU economic security (*continued*)
- Contribute to achieving the EU 2030 maritime industrial vision set out in the strategy

Sector stakeholders are encouraged to:

- Leverage advances in digitalisation, modularity, and circularity in industrial processes to enhance design and production efficiencies and sustainable practices (*continued*)
- Foster industrial and value chain synergies, leveraging the new EU Industrial Maritime Value Chains Alliance and other EU national and regional clustering platforms and initiatives (*continued*)

Pillar II – Transport and connect

The Commission will:

- Continue the Community guidelines on State aid to maritime transport (*continued*)
- Establish a structured cooperation dialogue with Member States and industry stakeholders to increase the attractiveness of Member States' flags (*as from 2026*)
- Consider how to simplify and streamline the existing monitoring, reporting and verification framework (MRV) for EU ETS Maritime and FuelEU Maritime (*2026*)
- Pursue the work within the IMO to work towards global solutions and revise relevant EU legislation taking into consideration global measures at IMO in order to avoid double payment (*as from 2026*)
- Facilitate cooperation between market players through creating a European network of green shipping lanes and hubs (*as from 2027*)
- Strengthen the engagement in IMO to shape maritime safety standards, towards ensuring a global level playing field (*continued)*
- Report on the EU Passenger Ship Safety Directive and the Marine Equipment Directive in preparation of their review (*2026 - 2027*)
- Consider extending EU passenger ship safety requirements to all intra-EU routes (*2027 - 2028*)
- Examine the feasibility of an EU framework for the mutual recognition of offshore service and industrial vessels (*2027 - 2028*)
- Consider extending the scope of the Marine Equipment Directive or existing mutual recognition arrangements between recognised organisations to simplify approval processes and improve access to international markets (*2027*)
- Strengthen the surveillance and monitoring of shadow fleet operations, improve the enforcement of existing rules and deepen international cooperation to uphold global maritime safety and environmental standards *(continued*)
- Pursue a prompt interconnectivity between the Maritime National Single Windows and the future Customs Data Hub (*as from 2027*)
- Consult the maritime industry on identifying further simplification of administrative procedures and data requirements (*as from 2026*)
- Intensify, together with the Member States, EU efforts in IMO and seek to maximise EU impact through broader alliances with international partners (*continued*)
- Continue the inclusion of comprehensive commitments on international maritime transport services in free trade agreements (*continued*)
- Propose legislation setting conditions for Member States to declare existing bilateral agreements compatible with EU law and to negotiate and conclude new agreements that advance EU interests (*2026*)
- Propose a follow-up to the NAIADES III programme for the inland waterways sector (*2028*)

Member States are invited to:

- Further advance pragmatic measures to enhance the attractiveness of EU Member States' flags
- Complete the implementation of the EMSWe Regulation

- Work jointly with the Commission towards simplifying and streamlining national and EU reporting requirements
- Step up collaboration and allocate sufficient resources to bolster the EU's strategic presence in the areas of international maritime chokepoints

Pillar III – Secure and protect

The Commission will:

- Support the ramp-up of naval industrial production capacities, including through the new European Defence Industry Programme (EDIP) and ReArm Europe Plan (*2026-27*)
- Propose to pursue a dual-use Ferry construction support mechanism to mobilise financial resources for investments linked to additional military specifications for dual-use ferries built in Europe (*2027*)
- Pursue solid and binding IMO cybersecurity rules to reduce general maritime cyber risks for civilian vessels (*as from 2026*)

Member States are invited to:

- Use the different opportunities under Readiness 2030 to strengthen naval industrial and technological capabilities in line with the objectives of this Strategy

Pillar IV – Access to innovation

The Commission will:

- Refine the methodology for accounting wind propulsion energy and address regulatory gaps at EU and IMO level (*as from 2027*)
- Pursue work towards a robust policy framework for nuclear power propulsion in commercial shipping (*as from 2026*)
- Propose an amendment to the Non-Road Mobile Machinery Regulation to allow hydrogen as reference fuel for non-road mobile machinery engines in inland navigation vessels (*2026)*
- Pursue a regulatory and technical framework for unmanned shipping solutions including EU-level guidelines and best practices for designated tests and trials at sea (*as from 2026*)
- Strengthen and expand the scope of R&I support for waterborne sector, building on the achievements of the current co-programmed Zero-Emission Waterborne Transport Partnership (*as from 2028*)
- Improve testing processes for ocean technologies for different applications through the upcoming EU Ocean R&I Strategy (2026)
- Map and assess research and technology infrastructures also for waterborne transport and promote the access to such infrastructures for EU maritime start-ups, scale-ups, SMEs and mid-caps developing technologies and solutions, through the implementation of the EU Strategy on Research and Technology Infrastructures (as from 2026)
- Ensure a systematic and rigorous enforcement of existing R&I security tools and identify remaining gaps to help prevent EU-funded technology leakage (continued)
- Launch the Ocean Observation Initiative (*OceanEye) (2026*)

Member states are invited to:

- Further support the rapid uptake of innovation including tests beds and regulatory experimentation

Pillar V – Access to finance & investment

The Commission will:

- Launch a call for proposals under the Connecting Europe Facility to support the renewal and decarbonisation of the shipping fleet, with a particular focus on ferries and coastal vessels (*2026*)
- Disburse EUR 347 million under the *CEF Digital* to strategic submarine cable projects, including for enhancing Europe's repair capacities (*2026-27*)
- Mobilise investments, through InvestEU, of around EUR 1-1.5 billion in the waterborne sector by 2027 (*by 2027*)
- Mobilise around EUR 800 million investments in blue economy sectors such as shipbuilding, retrofitting, shipping, *blue tech* through the BlueEconomy product supported by InvestEU and the EMFAF and implemented by the EIB group (*ongoing*)
- Propose a dedicated maritime call under the Innovation Fund (*2027*)
- Further assess the Innovation Fund's implementation and its specific preference provisions for maritime projects so as to further enhance the decarbonisation of shipping in future calls (*as from 2026*)
- Allocate EUR 184.5 million to finance R&I actions for waterborne transport until 2027 (*through Horizon Europe WP 2025 and 2026 – 2027*)
- Make available EUR 130 million under European Defence Fund calls on topics such as enhanced semi-autonomous surface vessels and seabed infrastructure protection (*2026*)
- Consider supporting investments in clean, digitalised vessels as well as innovation and modernisation of shipbuilding, offshore energy, and *blue tech* under the proposed future European Competitiveness Fund (*as from 2028*) subject to the adoption of the latter
- Consider under the forthcoming ETS review a dedicated mechanism to directly support shipping companies with ETS allowances for the uptake of sustainable fuels and clean propulsion technologies (*2026*)
- Enable investment aid measures aimed at supporting inland navigation vessels' fleet renewal and installation of cranes on board of inland vessels under the Land and Multimodal Transport Guidelines and new Transport Block Exemption Regulation (*2026*)
- Revise the EU Sustainable Finance Taxonomy criteria related to the waterborne sector (*2026-27*)

Member States, international financial institutions, national promotional banks are invited to:

- Enhance support to waterborne projects

Member States are invited to:

- Allocate a part of ETS revenues to maritime decarbonisation investments across the maritime cluster in Europe
- Leverage the new Clean Industrial Deal State Aid Framework (CISAF) to support investments in industrial decarbonisation and energy efficiency, including in maritime manufacturing facilities, as well as for expanding manufacturing capacity in maritime-relevant net-zero technologies

Pillar VI – Access to skills and quality jobs

The Commission will:

- Support education institutions and social partners in identifying current and future skill gaps and in developing reskilling and upskilling programmes (*as from 2027*).
- Support social partners and maritime education institutes in mapping maritime professions and increasing the participation of women in the maritime sector (*as from 2026*)
- Support and coordinate the creation of a network of maritime higher education institutions (MHEIs) and vocational training centres across the EU (*as from 2027*)
- Assist Member States in removing barriers to student and academic staff mobility including by promoting further participation of maritime higher education institutes in ERASMUS +
- Work with Member States to enhance labour standards at ILO and the cooperation with the IMO and ILO to ensure uniform enforcement of regulations and unified protections for seafarers *(continued)*
- Promote better coordination of social security schemes including by strengthening the role of the European Labour Authority, notably enhancing concerted actions and joint inspections while ensuring alignment of the EU legislation and international standards *(as from 2026)*