

**Emergency Resolution Nr. 4 adopted at the EPP Congress, Rotterdam (The Netherlands),
31st May – 1st June 2022**

Made In Europe: A strategy for the European manufacturing industry

Recognising that:

1. Just-in-time production and international value chains contribute to growth, trade and efficiency in good times, but constitute a vulnerability in bad times. The COVID-10 pandemic and the war in Ukraine are living examples of this. Europe's share in the manufacturing value chains has been steadily declining;
2. The European manufacturing industry has shown to be a leading player for the development and production of green technologies, while employing some 30 million Europeans;
3. The share of EU GDP from manufacturing has been on a declining trend, from 20% in 1991 to 14% in 2020;
4. There is a need for more strategic autonomy of the European Union. It involves the ability to achieve our economic and social goals such as green development, employment opportunities, a social safety net and high labour standards;
5. The tripling of shipping rates has shown the dependency of value chains on international logistic links. The industrial sector's dependence on industrial inputs from outside the European Union, such as chip production, has now become a bottleneck in the production of sustainable consumer goods such as electric vehicles.
6. With Russia's invasion of Ukraine, President Putin has disrupted global energy markets and rendered the EU's pathway to decarbonize our economies more urgent and more complex. To ensure we reach climate neutrality by 2050 while building new industries and staying economically competitive, the EU's climate policy frameworks should evolve accordingly

by enabling a broader set of solutions to mitigate and remove greenhouse gas (GHG) emissions. While reducing own emissions must remain the absolute priority, there is also a strong need to support the development and deployment of carbon removal solutions to meet net-zero GHG emissions in the EU by 2050 and negative emissions thereafter. These solutions need to be an integrate part of our common efforts and focus as we move to reconfigure Europe's energy system and energy partnerships.

Acknowledging that:

1. There is increasing evidence that European companies are at a disadvantage in public procurement due to state subsidies by foreign governments;
2. There are relevant concerns over the use of forced labour and human rights violations in the production of exports to the European Union;
3. Some governments do not shy away from using boycotts and media campaigns in response to the expression of legitimate concerns over human rights issues;
4. Industrial policy is a political issue when it comes to health & safety and the security of the European Union. The production of medical equipment, computer chips and batteries is a cornerstone in reaching the ambitions of the *Green Deal*;
5. European small and medium-sized enterprises are leading in innovation and job creation but suffer from an untapped potential in exporting to global markets.
6. Independence from Russian energy demands investments in European energy infrastructure and production, including energy from sustainable sources.

The EPP congress:

1. Affirms the necessity of a European strategy for manufacturing that is aimed at reshoring production, increasing employment opportunities and value-added technologies;
2. Calls on the EPP to further an industrial strategy that improves the resilience and competitiveness of the European economy on the world stage. The strategy should focus on long-term job growth, on our global leadership in sustainable investment and on the robustness of our supply chain and market position in strategic sectors;
3. Calls on the European Commission to act on the six challenges outlined by the European Court of Auditors:
 - a) provide more complete and timely data on Chinese investments in the EU;
 - b) conduct a fully-fledged analysis of risks and opportunities;
 - c) better implement its own strategy – in particular the actions promoting reciprocity and preventing distortive effects on the EU internal market – and address outstanding risks;
 - d) assess financing needs and track spending;
 - e) reinforce monitoring, evaluation and reporting;
 - f) better coordinate the response by the EU institutions and Member States;
4. Calls on the European Commission to take the strategic value of firms in the supply chain into account when assessing mergers and acquisitions of European industrial firms by state-controlled firms from outside the EU;
5. Calls on the European Commission to improve its monitoring of public procurement to detect below-cost bids that result from government subsidies or human rights violations in the production of goods or services;
6. Calls on the European Commission to develop a "Made in Europe" label that is available to manufacturers that produce all or virtually all parts in

Europe and adhere to the highest standards of environmentally and climate friendly production;

7. Calls on the European Commission to simultaneously support our manufacturing industry to complete the energy transition and protect them from unfair competition from outside the EU where environmental standards are lower;
8. Calls on the EU to jointly set up industrial standards.