



A Shared Agenda for Industry and Competitiveness in Europe

Joint Declaration by Ministers Sébastien Martin and Adolfo Urso

Rome, 3 March 2026

- 1. We, the Minister delegate for Industry and the Minister for Enterprises and of Made in Italy, acknowledging the joint work carried out since the entry into force of the Quirinal Treaty in 2023, have gathered in Rome for the third time to ensure continuity to the initiatives already undertaken, with the aim of further strengthening our cooperation in the fields of economic and industrial policy.**
2. Building on the conclusions of our first and second Summits, held on 3rd March 2023 and on 24th July 2025, **we reiterate the shared commitment to work together at European level to restore the competitiveness of the European industrial base.**
3. In line with the outcomes of the Informal European Council on 12 February 2026, **France and Italy will be driving forces to implement the ambitious agenda aiming at boosting Competitiveness, enhancing Simplification, deepening the Single Market, fostering Investment and Innovation, and achieving Strategic autonomy.**
4. In times when the EU's economic security, industrial resilience and long-term competitiveness are placed under mounting pressure, **we advocate for timely and bold decisions at EU level** (i) to protect and promote our key industrial sector, (ii) to cut red tape and to turn into reality the EU Single Market 2028 Roadmap, (iii) to retain and attract our best talents and innovators, (iv) to mobilize public and private investments to finance the transition and achieve EU technological independence.
5. **This year must mark a decisive phase of reforms for Europe.** In this perspective, we commit to jointly address the following key topics.

I. INDUSTRIAL POLICY

6. On the Automotive industry

The automotive industry stands today at a decisive turning point. This cornerstone of our manufacturing ecosystem is facing unprecedented pressure from unfair competition, subsidized overcapacities, and non-market policies pursued by third countries, that are putting at risk its competitiveness, the resilience of the supply chains, and ultimately our technological sovereignty.

Like all industrial sectors, European automotive players need a level playing field and a regulatory framework that support their capacity to innovate, invest, and compete globally. We must ensure competitive energy prices, reduce administrative burdens, accelerate permitting procedures, and strengthen strategic investments.

The transition to climate neutrality is a non-negotiable objective. However, it must go hand in hand with safeguarding our industrial base and preserving Europe's technological leadership.

The European dimension of our industry needs to be strengthened to protect high-quality employment in Europe.

The automotive package and the Industrial Accelerator Act will have to play a key role in strengthening our industry. It is crucial to promote vehicles with a high level of content engineered and manufactured within the European Union, to support both our industrial base of subcontractors and the development of strategic value chains.

Last but not least in the short term, a specific focus must be dedicated to commercial vehicles, setting an achievable path with more realistic targets for LCVs to ensure an effective continuation of the transition process.

7. On Energy intensive industries

Building on the joint **Non paper on the steel industry** (27 February 2025), on the one *on the Chemical Action Plan* (11 March 2025), France and Italy **launched in May 2025 the Ministerial Alliance for Energy-Intensive Industries**, to be convened ahead of each EU Competitiveness Council, as a platform to shape an effective policy agenda to ensure the protection and productive capacity of EU EEIs.

Looking at today's reality, the first and foremost policy tool **for the competitiveness of these sectors is the Carbon border adjustment mechanism**. While we welcome its simplification, the proposed revision presented by the European Commission on 17 December 2025 is still partial. The extension to downstream sectors with a **list of 180 products needs to be thoroughly verified and integrated**, in order to secure the protection of all EU strategic supply chains, and more timely action is needed to make the measure effective, as the entry into force of this provision **from 1 January 2028 raises concerns**.

As regards **anti-circumvention practices**, the Commission has envisaged the inclusion of pre-consumer metal scrap as CBAM precursors. This inclusion,

however, would imply implementation problems, as it is difficult to distinguish pre-consumer from post-consumer scraps, and could finally prove to be counterproductive for European low carbon steel production and to the functioning of the market and industrial supply chains.

The **Temporary decarbonization fund** proposed by the Commission suffers from a **limited period of applicability, uncertain financial coverage and the narrow scope of eligible products** to offset the loss of competitiveness resulting from the **reduction of free ETS allowances**. In addition, the Fund excludes the cement sector, already left out of the reform of the ETS indirect costs compensations: a situation to be amended as soon as possible.

We underline that true and effective **support for European exporters is needed**, as we had advocated in our joint declaration of July 2025.

Hence it is **paramount that the ongoing revision of the CBAM is swiftly completed by a full revision of the ETS** in order to maintain the competitiveness of European energy intensive industries. This revision should also aim to improve stability and predictability of ETS prices.

We call for the full use of the EU toolbox to guarantee level playing field and combat unfair trade practices and global industrial overcapacities, including through a reform of the current toolbox announced by the Commission in order to adopt measures more quickly and effectively to protect our industrial sectors from unfair practices. Trade defence measures should be able to tackle disruptions affecting several segments of the sector and encompass when necessary upstream and downstream products. In that objective, Commission should also reinforce the staff of the DG Trade dedicated to TDI. Furthermore, it would be appropriate to start a reflection with the Member States on a possible updating and strengthening of the EU trade defense instruments.

As regards the **steel sector**, we consider it crucial to act without delay to ensure fair conditions in international trade and to swiftly adopt the proposed safeguard measures to enter into effect before the expiry of the current ones, in order to counter the negative effects of global overcapacity and protect European production.

At the same time, we urge the Commission to adopt effective measures to address the shortages of steel, copper, and aluminum scrap by **recognizing the strategic importance of metal scrap, by monitoring and adopting, when necessary, protective measures, and promoting the development and use of high-quality secondary raw materials within the EU.**

We support incentives for European green steel via sectoral quotas, while opposing a use of the LESS label detrimental to European industry and call for “Made in EU” requirements for steel products for the use in construction through public procurement and public support schemes.

With respect to the **chemical sector**, both countries play a pivotal role in the newly established Critical Chemicals Alliance. As **members of the Steering**

Board, France and Italy will ensure that structural vulnerabilities in our production models are addressed, trade and supply chain disruptions are mitigated, critical molecules and production sites essential to Europe's industrial sovereignty are identified and measures aimed at incentivizing and operationally supporting the development of low-carbon products are being devised, as well as market pull measures to support the uptake of cleaner chemical products.

8. On EU Technological sovereignty

Critical Raw Materials

France and Italy reaffirm their commitment to building a more sovereign and resilient Europe, capable of protecting and strengthening its critical raw materials value chains, which are essential for **semiconductors, batteries, digital technologies, defense and energy systems**. In line with the objectives of the Critical Raw Materials Act and the REsourceEU actions plan, France and Italy, within the Trilateral framework together with Germany, aim to reinforce the strategic segment of the production chain—from mining to recycling, from processing to industrial applications—reducing external vulnerabilities and structural dependencies, also **through the promotion of joint investments leveraging instruments such as the National Fund for Made in Italy and Infravia's Fonds Metaux Critiques and the G7 Critical Minerals Production Alliance**.

Semiconductors

France and Italy reaffirm their shared intention to driving an ambitious revision of the European Chips Act in the spirit of the Semicon Coalition. Both countries recognise that Europe must move decisively from crisis-response logic to long-term competitiveness and therefore support a coordinated approach that aligns research, investment and capacity building across the semiconductor value chain. Together, **they advocate for a strong European financing instrument under the next Multiannual Financial Framework** capable of supporting strategic technologies in which Europe can be indispensable, such as advanced packaging, heterogeneous integration, power electronics, photonics, MEMS, cutting-edge chip design, enabling materials and equipment.

9. On the Industrial Accelerator Act and "Made in Europe" requirements

The EU's economic security, industrial resilience, technological sovereignty are key to achieving long-term competitiveness. Swift action is then required, by widening and strengthening the EU's trade and competition instruments and, as requested by a large number of business associations, by introducing in the upcoming Industrial Accelerator Act well calibrated "Made in Europe" requirements with the objectives to reduce the risk of dependencies, to help maintain added value within the EU and to promote jobs and growth.

These requirements could be designed as follows in this framework:

1. “Made in Europe” requirements must be deployed only in a **targeted, proportionate, gradual and evidence-based manner, in some key and strategic industrial sectors**. At this stage, the IAA should prioritise the following ones: automotive, net-zero technologies (e.g. batteries and solar panels), energy intensive products (e.g. cement, aluminum, steel and chemical products), and then in a progressive way also to other critical products and technology areas relevant to the EU’s economic security such as semiconductors and critical medicines.
2. “Made in Europe” requirements should **align with existing European supply and production capacities**, to support industry while avoiding economic distortions and limiting inflationary pressures. A **periodic review mechanism** should be adopted to account for technological and industrial developments, evolving dependencies and vulnerabilities, integration of value chains, as well as geopolitical and trade changes.
3. While preserving the integrity of the Single Market and recognizing the specific characteristics and needs of each strategic industrial sector, “Made in Europe” schemes could be incorporated in public procurement, EU-level financial support in view of the European Multiannual Financial Framework 2028-2034, national support schemes and sectoral EU regulations, always when relevant, applicable and not detrimental to the EU industrial base.
4. **Made in Europe criteria should apply to content originating in the EU27 Member States and the EEA**. However, only for public procurement procedures and for some certain products and services deemed essential to economic security, **targeted extensions to selected trusted EU partners** could be envisaged, with content from these partners treated as equivalent to Union-origin content. Such trusted partners should be able to demonstrate effective reciprocal access, both in law and in practice as well as the existence of a tangible contribution to the Union’s competitiveness, resilience, and economic security objectives.
5. The principle should be introduced in a way that is **not burdensome for companies** (in particular SMEs) **nor for public administration**, through clear, uniform and easily applicable criteria and methods.

We also stress the need for a **stable, coherent, and clear regulatory framework, ensuring fast permitting procedures** to stay on course for reindustrialization. In this sense, we are opposed to the establishment of an **overly rigid European framework** that would make certain procedural provisions mandatory, which should remain at the discretion of Member States, especially sector-specific binding deadlines, parallel procedures, and mandatory single points of contact. In fact, this type of measure tends to create greater complexity and undermine the clarity of the systems for both administrations and businesses, rather than simplifying procedures. We advocate for a **coherent and integrated simplification approach**, aimed at simplifying procedures in a comprehensive

manner and effectively reducing the bureaucratic burden. In addition, we call the Commission to **implement industrial acceleration areas that have genuine legal effects under environmental law** unlike the zones under the NZIA Regulation which have proven to be ineffective.

II. INTERNAL MARKET

10. On combating the challenge of Ultra-fast fashion

France and Italy acknowledge the growing challenges posed by ultra-fast fashion business models, which raise concerns regarding fair competition, hazardous content, product safety, environmental sustainability and consumer protection.

We support a coordinated European approach to ensure that all products placed on the Single Market, including those sold through online platforms and originating from third countries, fully comply with EU rules on safety, sustainability, transparency and market surveillance. Strengthening enforcement, traceability and responsibility across value chains is essential to protect consumers, promote sustainable consumption patterns and safeguard the competitiveness of European industry.

We recall the main messages of **the joint letter to the Commission of December 2025 signed by ministers Papin and Urso with six other members states**, aimed at **countering unfair competition from non-EU e-commerce and at defining common European initiatives against the ultra-fast fashion phenomenon**. The note calls on the EU for swift and coordinated action, strengthening controls, platform accountability, and protection of the internal market, also through full use of existing instruments – from the Digital Services Act to the CPC Regulation – and by promoting closer cooperation between customs authorities and market surveillance authorities.

Modernize trade in goods and the market surveillance framework is also a joint priority. We support the envisaged revision of the NLF and the Market Surveillance Regulation in order to adapt product regulation to the green and digital transitions and to strengthen market surveillance, in particular to address the new challenges posed by e-commerce with regard to non-compliant products from third countries. To better protect our Single market from massive inflows of non-compliant products from third countries, we call for an **increase in the resources allocated to market surveillance authorities**, particularly at borders. The support provided by the Commission, as well as the establishment of EU-level testing facilities, are positive steps, but their scope remains limited and does not yet fully compensate for national resource constraints.

In the field of e-commerce, **a European market surveillance authority** could complement the market surveillance activities carried out by Member States. **We also need to use the digital product passport (DPP) as a horizontal information base and require digital compliance information for every product sold online**, by all sellers, whether established within the Union or outside it.

Once mandated by regulation, the digital product passport will become a powerful lever to facilitate market surveillance.

We recall the **recent EU legislative measures introducing a customs duty regime for low-value consignments**, aimed at ensuring fair competition, preventing circumvention of tariff rules, and strengthening customs enforcement. France and Italy have played an active role in advancing national measures, including a €2 levy on small parcels, while awaiting a harmonized approach at EU level. We further acknowledge the transitional nature of this regime, pending entry into force of a comprehensive reform of the EU customs framework, **and express our support for continued work towards a definitive and modernised customs system.**

In addition, in line with the principles and obligations established under the **Digital Services Act**, online platforms are expected to exercise due diligence, the parties enhance transparency regarding traders and products, cooperate effectively with competent authorities, and contribute to the timely removal of illegal or unsafe goods. **We stress that digital intermediaries bear a shared responsibility in ensuring compliance and protecting consumers.**

Both parties commit to **strengthening cooperation between customs authorities, market surveillance bodies, and digital regulatory authorities**, as well as enhancing traceability and accountability across global value chains. Such coordinated action is essential to protect consumers, promote sustainable consumption patterns, uphold fair competition, and preserve the competitiveness and resilience of European industry.

11. A conducive environment to invest and innovate within the Single market

An agile, predictable, and simplified legislative framework is the bedrock for renewing Europe's competitiveness.

For this reason, we advocate for a **radical simplification** of all rules and administrative procedures that currently act as a bottleneck to industrial growth and investment. **We must transition from a 'compliance-first' mentality to a 'competitiveness-first' approach**, ensuring that EU regulations empower rather than hinder our industrial base. We need to continue simplifying our regulations, in line with the successive omnibus simplification packages proposed by the Commission. We also need to propose new ambitious initiatives for simplification and better regulation to the Commission to ensure that our rules are always proportionate, particularly for SMEs.

The upcoming Commission's proposal to introduce a 28th regime is a top priority for the Franco-Italian companies and for the startup and scaleup ecosystem. To be effective, this proposal must take the form of a new simplified corporate form (the Societas Europaeae Simplicior or SES) adopted by way of a **Regulation**, ensuring direct and uniform application **across** all Member States to eliminate legal fragmentation. We specifically call for: (i) a very simple and flexible structure, with great freedom of organization left to the founders; (ii)

optimizing data collection for businesses to eliminate redundant administrative requests; (iii) a fast **timeline** for a company incorporation across the Union; (iv) possible fully digitalized procedures to facilitate cross-border operations and capital attraction. The effectiveness of this new form of European company could be enhanced by a package of complementary non-regulatory measures.

The Single Market is our most powerful tool for global leverage. We commit to removing the remaining gold-plating and fragmented national requirements that prevent SMEs from scaling up. Our joint action will focus on **harmonizing standards for emerging technologies and ensuring that the 'Single Market' functions as a unified launchpad for European innovation.** We also commit to making joint efforts to tackle the Terrible Ten together within the Single Market Enforcement Taskforce (SMET) to drastically reduce fragmentation across the EU.

Building on the conclusions of our last declaration held on 24th July 2025, **we reiterate our willingness to modernize the competition policy through the revised guidelines on mergers** by incorporating factors related to innovation, supply chain resilience, investment, sustainability, and parameters necessary for the productivity, competitiveness and transitions of the European economy. This will enable European businesses to achieve the efficient scale necessary to compete internationally. This objective could also be reach by **protecting EU innovation against killing acquisition risk.**

We jointly recognise the essential role of technical standardisation as a structural component of industrial cooperation. France and Italy intend to make greater and more strategic use of this lever, drawing on the solid cooperation between UNI and AFNOR to support shared priorities and to contribute to a more coherent and forward-looking European approach to standardisation, strengthening the competitiveness of their industrial ecosystems and ensuring a closer alignment between regulatory frameworks, innovation pathways and industrial policy objectives. For this reason, we highlight the importance of ensuring that standardization processes remain responsive, sustainable and sufficiently agile while facilitating participation of SMEs.

III. FINANCING

12. On financing the industrial transition

France and Italy welcome the **2028-34 Multiannual financial framework focus on competitiveness, resilience and defence readiness and the creation of a European Competitiveness Fund** as a crucial tool to support industrial projects across their entire lifecycle, strengthening the EU industrial base, de-risking strategic EU projects and supporting companies of all sizes through the green, digital, demographic and geopolitical transition.

We jointly stress the need to preserve the ambition level of the ECF proposal. It is crucial that the Fund effectively plays a key role in strengthening the Union's strategic autonomy by supporting the linkages between research and industry, the industrialisation of innovation, and the green and digital transitions of industries, in particular traditionally strong ones, while respecting the principles of **technological neutrality** and foreseeing the introduction of a **"European preference"**. We also underline that Member States' involvement in the Fund's governance is essential to guiding its strategic priorities while ensuring agile and transparent decision-making, a clear prioritisation of sectors and projects, and close coordination with Horizon Europe to maintain a seamless funding continuum from research to industrialisation, maximizing the impact of the several European funding instruments.

A close coordination with Horizon Europe will ensure coherent funding from research to industrialization, avoiding fragmentation, and maximizing the impact on critical value chains and European industrial competitiveness.

The continuity of European funding should also be ensured for strategic high-tech projects, from fundamental research to industrialisation in the future MFF. With its excellent researchers and infrastructure, and strong public support for research and development, Europe is well placed to meet the challenges posed by the race for technological leadership. However, as highlighted by the Draghi report, these strengths do not translate into competitiveness gains, as European start-ups have to face an insufficient capital market and a lack of private funding for innovation. We therefore **welcomed the European Strategy for the development of start-ups and scale-ups**, and the way in which this strategy is oriented towards the needs of enterprises.

We recognize the crucial importance of promoting the development of new technologies and strategic value chains for the achievement of energy and digital transition objectives. In this context, France and Italy confirm their ongoing commitment **to work on the development and industrial scalability of nuclear technologies of new generation in their joint coordination of the IPCEI on Innovative Nuclear Technologies to be pre-notified to the Commission early 2027.** In addition, we intend to continue cooperating closely also to build IPCEI partnerships on **artificial intelligence and new advanced semiconductor technologies** as priorities for the year 2026.

Finally, we believe that **the current State aid rules do not provide sufficient and appropriate measures to fully support additional investments in key sectors**, such as the chemical sector and the automotive industry, while taking into account all stakeholders involved in their value chains. We also **call on the Commission to streamline the General Block Exemption Regulation (GBER)** in order to **ensure that it becomes more accessible, predictable, and transparent, and that it effectively supports the dual transition, particularly for SMEs.**

13. Unleashing the full potential of the French- Italian bilateral cooperation

We recognize the crucial role played by all actors within the Italian French business ecosystems in suggesting the priorities of the cooperation and the strategic lines to take at the EU level regarding industry and competitiveness.

We commit to pursuing the integration of our tools and funding instruments for the benefit of our SME's, start-ups, and the entirety of our industrial base, as well as the research and innovation sectors.