

European Maritime Technology Sector: European Recovery Plan

Rescue plan needed to save the industry and its workers

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The European Maritime Technology sector¹ supports more than **500,000 direct jobs** and **400,000 indirect jobs**² in the EU, with thousands more across wider Europe. The sector is renowned for producing high-tech and innovative equipment and vessels on the global market, but the ongoing challenges of unfair competition and global overcapacity, plus site closures and production stoppages due to COVID-19, means that the survival of the industry is at risk.

Currently, there are around **300 shipyards** and **28,000 maritime suppliers** in Europe, most of whom are small and medium-sized enterprises (SMEs), who are crucial for the economic success of various regions throughout Europe, many of whom lack other large industrial sources of income. Trade unions in the maritime technology sector have come together to demand a **European Recovery Plan** to keep shipyards, equipment suppliers and the full supply chain afloat.

Impact of COVID-19

The COVID-19 pandemic has had a dreadful impact on the European maritime technology sector, with **temporary yard closures** (e.g. MV Werften and Flensburger Schiffbau-Gesellschaft (DE), Havyard (NO), Fincantieri (IT), Chantiers de l'Atlantique (FR)), and **redundancies** (e.g. 450 lay-offs and 900 temporary lay-offs at Meyer Turku (FI)) causing real concerns for workers.

Trade unions have been working tirelessly to ensure the full implementation of **occupation health and safety** (OSH) measures in the workplace. However, the working conditions and the very nature of the work, including the small working spaces inside vessels, make this a real challenge. In addition, the large numbers of temporary workers and contractors coming in and out of shipyards has added to the pressures of implementing site specific COVID-19 measures, and is thought to have counteracted some of the hygiene measures put in place.

The pandemic has impacted some areas of the sector more than others. For example, while there has been devastating news in some commercial areas (e.g. the cancellation and postponement of cruise ship orders), the defence sector has so far seen little negative impact. However, it is important to remain vigilant and trade unions will continue to follow European defence production and future contracts.

A European Recovery Plan with workers at its core

Urgent European action is needed to ensure that the maritime technology sector can continue to stay afloat. The sector needs support to be competitive, to be able to develop, and in turn produce the best high-tech vessels and equipment to enable Europe to meet its decarbonisation targets (e.g. cleaner maritime transport and offshore energies). If no action is taken, thousands of highly-skilled quality jobs will be at risk and trade unions call for a **European Recovery plan** with workers at its core.

¹ All enterprises involved in the design, construction, maintenance, and repair of all types of commercial and naval ships as well as other maritime structures (systems, equipment, and services).

² [Study](#) on new trends in globalisation in shipbuilding and marine supplies.

IndustriAll Europe's demands

The European maritime technology sector is facing real challenges and industriAll Europe calls on **all** stakeholders, including policy makers, employers and trade unions, to come together and fight for the future of the sector.

Industrial Policy

The European maritime technology sector needs a new European industrial policy which is ambitious, competitive, green and covers all areas of the sector.

IndustriAll Europe demands:

- A new ambitious **European industrial strategy for the sector** which covers commercial shipbuilding, repair, defence and off-shore industries;
- The EU to work with all interested parties (workers, employers, regional authorities, education and training providers) on the **cohesion of EU funds**;
- For national governments and the EU to **fully investigate all competition issues**, including merges and acquisitions, taking into the account the views of European workers and the fact that the sector is international (not just European);
- For all stakeholders to work together to **improve the image of the sector** in order to attract young people into the industry;
- The EU to take further action to **protect intellectual property**, by making use of various trade policy instruments.

Trade

European workers continue to suffer due to aggressive and unfair international competition and an unlevel playing field in the maritime technology sector. Non-European countries, especially those in Asia, continue to use unfair State aid to produce vessels and equipment at non-market prices and furthermore, produce at a level which has led to global overcapacity. While examples of non-European companies benefitting from EU funding increases, EU companies and their workers are not able to access the equivalent opportunities. Too many European jobs have been lost in the industry over the past decade and workers demand tough action to ensure fair international trade.

IndustriAll Europe demands:

- Strong action at national, EU and international level to **tackle unfair trade** and create a **level playing field**;
- National governments and the EU to increase their commitment at the **OECD WP6** to establish a legally binding shipbuilding instrument to address market distorting factors to end global overcapacity and unfair State aid;
- The EU to develop specific **trade defence instruments** (TDIs) for the shipbuilding sector which is not covered by the current TDIs;
- The EU to take a firm position regarding **foreign subsidies**;
- The EU and Member States to approve financial instruments in relation to **defence contracts**, supporting public procurement for the navy and in turn keeping production in the EU;
- The EU to **ensure reciprocity** between Europe and third countries in both bilateral and multilateral trade negotiations relating to market access and competition to ensure balance.

Sustainability

The maritime technology sector will play a key role in the ambitions set out in the **European Green Deal** by decarbonising transport, which is urgently needed. However, there are also opportunities to be more ambitious via improving synergies with the renewable energy sector, such as offshore wind. Therefore, the sector needs a strong framework plus adequate funding to research, develop and produce **green technology**, and its workers should be upskilled in these new technologies to ensure that no worker is left behind.

IndustriAll Europe demands:

- Increased **national and European funding for R&D** to decarbonise the sector, such as the Horizon Europe funded mission “zero-emission waterborne transport”;
- Further study into the beneficial links between shipyards and equipment makers, and **offshore energy platforms** to increase synergies and develop relevant technology.
- The development of a **fair Europe-wide emissions-based levy** and charging model for all ships calling at European ports or sailing in European waters.

Social standards and workers’ rights

The maritime technology sector, and shipyards in particular, has a proud trade union history. However, trade unions continue to report an increase in **precarious work** and **social dumping**. IndustriAll Europe will work with its members to tackle these issues by increasing trade union co-ordination and building trade union power in the sector.

IndustriAll Europe demands:

- High **health and safety standards** for all workers, especially in light of the COVID-19 pandemic;
- The **end of precarious work**, the guarantee of good working conditions and respect for all workers’ rights throughout the supply chain;
- The **same pay for the same work in the same place**: all forms of social dumping and wage cutting must be challenged;
- Complete respect and adherence to **quality social dialogue**, specifically regarding social conditions, skills and training, industry 4.0 and restructuring;
- A **Just Transition** for any worker affected by structural transformations;
- Commitment to **investing in workers’ skills** (including digital and green technology) via re-skilling and upskilling to prevent any worker from being left behind;
- Continued work on **skills at a European level**, following the conclusion and recommendations of the [USWE project](#), to identify current and future skills gaps;
- For employers to adhere to the standards outlined by the social partners in the [Joint Statement on Social Standards](#).

Time to act

COVID-19 had put added pressure on the European maritime technology sector, and we must act to prevent further closures of shipyards and equipment suppliers. Skilled workers are needed and can be part of the solution to decarbonise transport, but co-ordinated European action is needed now to safeguard the sector and its jobs. **European workers call for a rescue plan, a European recovery plan, to safeguard jobs and ensure a positive and green future for workers in the maritime technology sector.**