



→ Position

MADE IN EU: The Vision of the Public Transport Sector



UITP supports the principle of European preference, which helps bolster the European industry while strengthening the Union's competitiveness and security. To ensure its effectiveness, UITP calls for a pragmatic "Made in EU" approach :

- One that simplifies its implementation without adding administrative burdens or creating red tape for public transport operators (PTOs) and authorities (PTAs);
- One that strengthens the European market without compromising the sustainability and operational efficiency of PTOs and PTAs.

Sustainability first

The procurement framework must **support, not hinder, the speed of decarbonisation** of the public transport sector. UITP emphasises that a European preference should not lead to increased costs, reduced competition or administrative burden that would put at risk the decarbonisation targets, such as the transition to zero-emission fleets. An overly strict "Made in EU" requirement could, in certain sectors where European supply is not yet sufficient, delay the procurement of low-carbon materials and equipment. Any "Made in EU" requirement must be balanced with the primary goal of achieving climate targets through high-performing, sustainable technologies, using other than price criteria (incl. MEAT).

Resilience of supply chains

To ensure a stable supply of transport equipment, the introduction of a European preference must be gradual and pragmatic.

- Gradual thresholds: European content levels must reflect market reality, especially where EU supply is insufficient (e.g. specific battery technologies). The EU framework needs to provide for **gradual and progressive thresholds** based not only on the existence of a European supply, but also on its effective availability **to meet buyers' needs**. Such progressive implementation is needed to **maintain service levels and allow European industry to adapt**.
- Derogations: contracting authorities and entities must retain the **right to derogate from the European preference**, e.g. if the required supplies are unavailable in sufficient quantities, within the required timeframes or under the necessary technical conditions, if the European preference hinders innovation, if it unduly restricts competition or leads to a "one bidder scenario", if it leads to higher costs jeopardising the financial sustainability of the public transport buyer,

if the market is tight. Contracting authorities and entities have a clear understanding of the maturity of their supplier market, and this maturity may change over time.

Industrial capacity and value creation in EU

Strengthening EU industry requires focusing on genuine value creation within the EU/EEA. A manufacturer shouldn't be considered "European" just because they do the final assembly in a factory in Europe, while the main stages of research, development, design, and/or production remain outside the EU/EEA. Policies should **reward effective investment, innovation and job creation within the EU/EEA**. A European preference regime should also set the conditions under which contracting entities and authorities may allow bidders from third countries which have – or have not – concluded Free Trade Agreements with the EU.

A pragmatic, gradual, targeted approach, with no additional cost or administrative burden for operators and authorities

Strategic autonomy within simplification

Any “made in EU” framework should not be mandatory. Should it be mandatory, it should not lead to the establishment of a general, binding rule applicable to all procurements. Such a framework should consider the sensitivity of the product and its impact on European sovereignty without imposing new, heavy documentation burdens on contracting authorities, keeping in mind the objective of **simplification** of the revision of the public procurement directives.

- **Targeted scope:** the introduction of a European preference should not lead to the establishment of a mandatory general rule applicable to all procurements. If such a mechanism were to be adopted, it should be **strictly limited to truly strategic assets**, i.e. those that pose a proven risk to sovereignty, security, service continuity (e.g. digital, energy, transport). Its scope should be defined clearly and restrictively to prevent its extension to procurements for which a requirement of European origin would be neither necessary nor proportionate. For sectors not in the scope, contracting authorities and entities should maintain full discretion and apply it when they consider it appropriate in the exercise of their administrative and technical discretion.

- **Reduced complexity:** PTOs and PTAs do not have the resources to act as trade investigators or experts in Unions customs law. The EU must **simplify third-country exclusion mechanisms** and **provide objective third-party certification** to verify origins.
- **Level playing field between public and private buyers:** granting public buyers flexibility in applying Union origin requirements to avoid distortions of competition is necessary, given that their private competitors are not subject to such requirements.

This is an official publication of UITP, the International Association of Public Transport. UITP represents the interests of key players in the public transport sector. Its membership includes transport authorities, operators, both private and public, in all modes of collective passenger transport, and the industry. UITP addresses the economic, technical, organisation and management aspects of passenger transport, as well as the development of policy for mobility and public transport worldwide.

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