Industrial Accelerator Act:
Is "Made in Europe" Becoming EU Law?

On March 4, 2026, the European Commission (Commission) proposed the Industrial Accelerator Act (IAA) to address challenges facing the EU's industrial base.




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TEuropean Commission Executive Vice President Stéphane Séjourné described the proposal as a "shift in doctrine – one that would have been unthinkable only a few months ago".

The draft regulation would introduce Union-origin requirements in selected strategic sectors, a significant change in EU industrial policy. Its stated objective is to raise manufacturing's share of EU GDP from 14.3% in 2024 to 20% by 2035.
To become law, the proposal must be agreed by both the European Parliament and the Council of the EU. Each institution must first adopt its own position before the two can negotiate the final text. As of November 25, 2026, neither has done so.

What the Industrial Accelerator Act Proposes
The proposal, COM(2026) 100, builds on the Net-Zero Industry Act and extends some of its tools beyond clean technologies to sectors such as steel, aluminum, automotive, cement and chemicals. Article 1 sets out four key pillars:

1. Faster permitting: Each Member State would set up a single digital portal through which companies could submit one application for all the permits needed for an industrial project.
2. Public demand for low-carbon and EU-made products: From January 1, 2029, covered public procurement procedures would have to meet minimum shares of 25% for low-carbon steel, 25% for low-carbon aluminum and 5% for low-carbon concrete and mortar. The aluminum, concrete, and mortar would also have to be of Union origin, while the steel would only need to be low-carbon. Annex III sets separate origin requirements for certain motor vehicles, covering vehicle assembly, batteries and other components.

Conditions on foreign direct investment: Foreign direct investments above EUR 100 million in emerging strategic sectors – battery technologies, electric and plug-in hybrid vehicles, hydrogen fuel-cell vehicles, solar photovoltaics and critical raw materials – would require prior approval. The regime would apply only where the investor's home country holds more than 40% of global manufacturing capacity in the sector concerned, subject to control thresholds and exemptions. Approval would depend on what the investment brings to the EU economy: the investor would have to meet at least four of six conditions, covering matters such as foreign ownership caps, the transfer of technology and know-how, and a minimum 50% share of EU workers.

Industrial Manufacturing Acceleration Areas: Each Member State would also have to designate at least one Industrial Manufacturing Acceleration AArea. Within these areas, permitting and impact assessments would be aggregated and carried out in advance.

"Made in Europe" divides Member States
The central issue the debate turns on is what constitutes a European product. Under the Commission's proposal, products from countries with which the EU has a free trade area, a customs union or commitments under the WTO Government Procurement Agreement are treated as EU-made. The Commission could exclude specific countries by delegated act.

The issue reportedly divided the Commission. DG Trade favored extending eligibility to all EU free-trade partners, while Séjourné backed tighter criteria. At the first ministerial debate on May 28, France, Greece and Spain called for a narrower definition. Germany, Luxembourg and Sweden supported the Commission's broader approach.

In September, German Economy Minister Katherina Reiche proposed a "Made with Europe" formula that would include partners such as Norway, Switzerland and Canada. France maintained that public funding should go only to factories in the EU. The two countries later reached a compromise on cars. Germany accepted tighter origin requirements that would limit eligibility to a small group of countries, while France agreed to greater flexibility on emissions standards. Both called for electric vehicle rules to be addressed separately from the IAA.

Industry and civil society reactions
The European Steel Association Eurofer welcomed the proposal as a step towards stronger European manufacturing and lower-carbon production. At a debate hosted by the Employers' Group of the European Economic and Social Committee, participants warned that without simpler procedures, the IAA risked becoming an "Administrative Act".

The European Environmental Bureau welcomed the proposed low-carbon quotas for steel and concrete but argued that they were too low to shift demand. It also warned that acceleration areas could lead to rushed environmental assessments.

Implications for Serbia and the Western Balkans
For Serbia and the wider Western Balkans, a central question is whether products made in the region can count as EU-origin under the IAA. The answer could affect access to covered EU public tenders and support schemes.

The region's Stabilization and Association Agreements with the EU could provide a basis for treating Western Balkan products as equivalent to EU-origin products. Eligibility would depend on the scope of the EU's commitments under each agreement, the applicable rules of origin and any exclusions adopted by the Commission. Under Article 7(2), origin would be determined under the Union Customs Code, so a factory's location in the region would not, by itself, establish eligibility. If the final text narrows eligibility, automotive component manufacturers could be particularly exposed given the proposed origin requirements for certain vehicles.

The automotive sector is probably the clearest example of what is at stake commercially. Serbia has substantial vehicle and component production integrated into EU supply chains, so narrow eligibility rules could affect both finished-vehicle exports, such as those of Stellantis in Kragujevac, and the wider supplier base, if Serbian production does not qualify as European origin for the relevant incentives or procurement rules. Germany's broader "Made with Europe" approach, under which products from certain non-EU partner countries could receive treatment equivalent to "Made in EU", could produce a more favorable outcome for Serbia. A similar logic appears in the Irish Presidency's latest compromise, under which UK-made vehicles would reportedly qualify as European without the UK having to match EU tariffs on Chinese electric vehicles, provided the UK gives EU-made products access to its own support schemes. Which approach prevails remains uncertain until the final text is agreed.

Article 11(1) sets out a separate test for who may bid on certain public tenders. A company may be excluded if it is owned or controlled by an entity established in a third country without an EU agreement guaranteeing access to the relevant procurement. A Chinese-owned manufacturer in the Western Balkans could therefore be ineligible to bid even if its products qualify as originating in the region.

The IAA's foreign investment rules would apply to qualifying investments in the EU, including those by Western Balkan investors. Projects outside the EU could still be affected indirectly. For example, Chinese-backed projects in batteries, steel or critical raw materials could face new conditions
Home law adds a twist. Serbia has not yet transposed the 2019 DSM Directive, the source of both the TDM exception and the press publishers' right. Its current copyright law has no TDM exception, and the draft Copyright and Related Rights Act put to consultation in March 2026 does not introduce one either. Copying protected works for data mining generally requires the rightsholder's permission and has no domestic counterpart. A Serbian developer may face a stricter environment at home than an EU competitor does in Munich or Luxembourg. Montenegro, by contrast, amended its law in October 2024 to introduce both the TDM exceptions and the press publishers' right, so the region is already diverging.

In practical terms, the opinion sorts the players as follows:

- Publishers. A paywall or a working bot block protects against retrieval attempts that circumvent it, and a machine-readable opt-out matters for training. An open page is protected only against answers that recognizably substitute for it. How a publisher guards its front door is now a legal decision as well as a commercial one, and blocking the bots may cost visibility.
- Companies that use AI tools. The user who directs a chatbot is treated as the primary actor, and private, non-commercial users fall outside the right. Using a general chatbot to understand the news looks unproblematic. A product whose value lies in paraphrasing individual articles does not, and the AG names that kind of service as conduct inherent to a provider's business model.
- Companies that build AI services. Lawful access, respect for access restrictions and filters that keep answers sufficiently removed from any specific source are what a reasonably diligent operator does. Where they are in place, occasional slips should not create liability. Where they are absent, it should.

The Court's judgment will be delivered on a date not yet set. The judges may follow the AG, trim him, or go their own way, above all on training, which he asked them not to decide, and on memorization. Around it, the picture keeps filling in: the OpenAI judgment is on appeal in Munich, and further generative AI references are already pending in Luxembourg.2

The AG ends modestly: copyright, he writes, will not solve every problem that chatbots raise. One of those problems is not about copyright at all, but about whose law governs software that has no idea where it is. The dolphins never reached Lake Balaton, yet the story about them was retold across several countries in a single afternoon. The sooner the international community works on an answer, the less of it will have to be improvised in courtrooms.