

Press release

Industrial Accelerator Act sets the stage to secure vital capacities for European auto suppliers

Brussels, 4 March 2026 – The European Commission has published the Industrial Accelerator Act. The overall regulation lays a crucial foundation to safeguard manufacturing capacities and employment across Europe. Featuring a robust definition of a “European vehicle,” the Act promises to address unfair competition, but the regulation's effectiveness in incentivising local production could be at risk without a thorough assessment of trusted trade partners.

The proposal introduces a three-level definition for European vehicles, which mandates vehicle assembly in the Union, an immediate 70% local content threshold for automotive production in the region, and a specific 50% threshold for critical components to be implemented three years after publication.

“The Industrial Accelerator Act marks a pivotal moment for the European automotive supply chain,” said **Benjamin Krieger**, Secretary General of CLEPA. “By establishing local content and critical component thresholds, the European Commission is tackling concerns of suppliers facing unfair competition. We support the ambition of the Commission to respect its commitments to international trade partners, but there is a risk of undermining the effectiveness of measures expressly aimed at incentivising European production. We now call on the European Parliament and the Council to assess trusted trade partners to avoid circumvention and swiftly adopt this proposal to provide our industry with the certainty it needs to invest and thrive.”

A careful assessment based on objective criteria and rigorous enforcement mechanisms are essential to maintain interconnected supply chains, while avoiding any risk of trade loopholes. We must remain vigilant on how third-country imports are handled to ensure a level playing field and make sure that the legislation achieves its intended goal of safeguarding European critical manufacturing capacities.

CLEPA stresses that the coverage of the policy must remain broad. To truly accelerate the transition and support the European industrial base, most new vehicles should be covered by European incentives. Limiting these incentives exclusively to public procurement would severely blunt the policy's impact.

We should also prevent a fragmented approach. The Industrial Accelerator Act should establish clear connections between the definition of vehicles eligible under public procurement, other forms of public support, and vehicles eligible for super credits. Establishing a single, unified definition will smoothen procedures and provide reliable guidance for business planning.

CLEPA remains committed to working closely with policymakers over the coming months to refine these details and ensure the final legislation effectively bolsters the European automotive sector.

About CLEPA

CLEPA, the European Association of Automotive Suppliers based in Brussels, represents over 3,000 companies, from multi-nationals to SMEs, supplying state-of-the-art components and innovative technology for safe, smart and sustainable mobility, investing over €30 billion yearly in research and development. Automotive suppliers in Europe directly employ 1.7 million people in the EU.