

Press release

## Automotive suppliers urge EU leaders to stop industrial exodus

*Brussels, 10 February 2026* – Ahead of the informal EU Leaders’ Retreat on 12 February, automotive suppliers are raising critical issues for the future of manufacturing in the EU. A steadfast implementation of technology neutrality is needed to ensure innovation drives decarbonisation – not restrictive mandates. The upcoming Industrial Accelerator Act presents a clear opportunity to keep automotive manufacturing in Europe but its success hinges on one key question: how the EU defines ‘European-made’ components.

“This is no trial period: Automotive suppliers have announced over 100,000 job cuts since 2024,” says **Benjamin Krieger**, Secretary General at CLEPA. “There is no strong European economy without the factory floors to support it. Right now, with high energy costs and fragmented regulations slowing companies down, producers in Europe are placed at a structural disadvantage. Measures to restore EU competitiveness will take time to deliver, that is why we need local content policies now.”

### A severe competitiveness gap

A recent [study by Roland Berger](#) reveals that automotive suppliers in the European Union face unfair competition from regions with lower costs, fewer regulations, unilateral tariffs, excess capacity, dumping and subsidies – a combination that threatens up to 350,000 European jobs until 2030.

Importing the cheapest technology today hollows out our innovation capacity tomorrow. If Europe allows its value chains to erode, we will end up with empty factories – we will trade European independence for permanent dependency on regions with cheaper labour and weaker legal requirements.

To reverse this, the industry proposes a **two-pronged approach**. First, the EU must **enhance its competitiveness** by lowering electricity costs, cutting red tape, and further integrating the Single Market. Effectively implementing the Draghi report, but faster and more decisively. However, these structural reforms take time. Until they take effect, we must implement **measures to incentivise and safeguard critical manufacturing capacity** in Europe. While Trade Defence Instruments may address some specific issues, they are too complex, and their application too lengthy and unpredictable. They cannot provide the immediate stability the industry needs.

### Defining real value

The **Industrial Accelerator Act** must be robust. Specifically, it needs an adequate definition of ‘European-made’ vehicles and components. A European vehicle should consist of at least 75% European components. This level is realistic and would not drive up prices. The study by **Roland Berger**

shows that more than **80% of the components** used in vehicles built in the EU already come from European suppliers.

These rules must also cover all components without discrimination and reflect where the true value-add comes from: suppliers traditionally account for **75% of a vehicle's value**. **If the policy focuses only on the final assembly or solely on certain components or products**, the risk of delocalisation through unfair competition cannot be stopped – putting at risk the R&D, the jobs, and the technological spillover that drive our economy.

### **The “flexibility” reality check**

Automotive suppliers are the engine of Europe's green transition, investing **€30 billion annually** in research and development. For these innovations to succeed at scale, however, policy must align with consumer demand. [Deloitte's 2026 Global Automotive Consumer Study](#) shows that internal combustion engines remain the leading choice for nearly half of buyers in Germany, France, and the UK while consumer preference for hybrids has risen to 14% in Germany and 23% in France.

“Europe needs a CO2 framework that is open to all technologies and reflects market realities rather than fighting them,” says **Benjamin Krieger**. “Feasibility will come with flexibility – hopefully achieved through a coherent strategy rather than a multitude of complex exceptions. To reach our targets effectively, the European Parliament and Council must refine the Commission’s proposal to reward, without delay, the actual emission reductions that all vehicles and fuel technologies deliver.”

### **The bottom line**

Throughout this legislative mandate, there has been a strong political promise, reiterated with the publication of the Automotive Package, that the European Union will safeguard critical capacities and restore the business case for manufacturing in the region. Europe cannot afford to backtrack on this pledge. **To survive global competition and to ensure our strategic autonomy in manufacturing, the EU must move from promises to implementation, delivering these measures fully, and without further delay.**

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### **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.