

Auto sector CEOs to EU leaders: Europe needs robust Industry Deal to make the Green Deal happen

Brussels, 10 April 2024 – 13 CEOs of leading European vehicle manufacturers and automotive suppliers met today with the EU Commissioner for Climate Action, Wopke Hoekstra, for an ‘Automotive Roundtable’ to discuss the green transition of the sector. This was preceded by a meeting with Charles Michel, President of the European Council, ahead of next week’s EU Summit on competitiveness.

The auto industry – one of the most important sectors of the EU economy – is at a critical junction as it makes its biggest transformation in the last century, revving up to meet the world’s most ambitious CO2 reduction targets for vehicles.

Automotive manufacturers and suppliers want to maintain production in Europe, keeping jobs and investment in the region. But they are currently facing a ‘perfect storm’ of fierce global competition for critical resources, funding, investments and customers, compounded by rising costs of doing business, a radically changing geopolitical landscape, and an electric vehicle market that is far from mature. Given these profound challenges, Europe must strengthen its competitiveness and build a stronger business case for the auto industry’s green and digital transition.

Mr Hoekstra committed to holding this roundtable during his confirmation hearing in the European Parliament, as he stepped into his role as Climate Commissioner late last year. Its aim was to identify the practical barriers to implementing the Green Deal, and possible ways to address these.

Luca de Meo, CEO of Renault Group and President of ACEA: “EU car manufacturers are strongly committed to decarbonisation, investing over €250 billion in electrification, but we cannot make this transition alone. Europe needs to create the conditions for competitiveness and market demand for electric vehicles. These include charging and hydrogen refilling infrastructure, a sufficient supply of critical raw materials, better access to finance, and market incentives. In other words, a holistic industrial strategy will be the key to achieve Europe’s green ambitions.”

Matthias Zink, CEO Automotive Technologies at SCHAEFFLER and President of CLEPA: “Europe’s automotive suppliers drive innovation and sustainability with €30 billion in annual R&D investments and 1.7 million direct jobs. Suppliers are key enablers of the transition, bringing smart and sustainable mobility solutions to market. However, in the context of a challenging economic environment, a downturn in EV adoption and diminishing profits within the supply chain, funding the transition becomes key. It is therefore crucial to ensure that framework conditions are in place to de-risk investments in innovative technologies and the transformation of facilities and our workforce. The regulatory framework must remain ambitious yet flexible to keep Europe competitive. This will help us reach our goals faster and more efficiently while also catering to consumer needs.”

During the roundtable, both European truck and bus manufacturers and automotive suppliers underscored the pressing need for getting zero-emission trucks and buses on roads. The sector is committed to providing the right trucks and buses to move the road transport industry into fossil-free solutions by 2040, focused on battery-electric and hydrogen-powered vehicles. Technology neutrality should remain a guiding principle ensuring that all technologies contribute to decarbonisation efforts. Recognising that the internal combustion engine will continue to play a long-term role in heavy-duty transport, climate-neutral solutions and other complementary technologies will be needed to meet our climate targets. But the overarching challenge persists. Achieving the CO2 reduction targets remains highly ambitious in the near absence of vital enabling conditions, such as a dense network of truck-suitable charging and refuelling stations and a supportive carbon pricing framework to ensure cost parity for zero-emission vehicles. The European auto sector calls on Europe's policy makers to take ambitious action to address these concerns.

Notes to editors

The CEOs present at the Automotive Industry Roundtable with Commissioner Hoekstra were:

Vehicle manufacturers / ACEA:

- Luca De Meo, CEO, Renault Group; President of ACEA
- Harald Seidel, President, DAF Trucks NV; Chairperson of ACEA Commercial Vehicle Board
- Martin Sander, CEO, Ford in Europe
- Domenico Nucera, President, Bus Business Unit, Iveco Group; Chairperson of ACEA bus and coach division
- Ola Källenius, CEO, Mercedes Benz Group AG
- Christian Levin, President and CEO, Scania Group
- Didier Leroy, Chairman of the Board of Management, Toyota Motor Europe
- Thomas Schäfer, Member of the Board, Volkswagen Group; CEO, Volkswagen Brand; Head of Brand Group Core

Automotive suppliers / CLEPA:

- Matthias Zink, CEO Automotive, SCHAEFFLER and President of CLEPA
- Dr Markus Heyn, Chairman Mobility, ROBERT BOSCH GmbH
- Marco Stella, CEO, Duerre Tubi Style SpA
- Patrick Koller, CEO, FORVIA
- Dr Holger Klein, CEO, ZF

About ACEA

- The European Automobile Manufacturers' Association (ACEA) represents the 15 major Europe-based car, van, truck and bus makers: BMW Group, DAF Trucks, Daimler Truck, Ferrari, Ford of Europe, Honda Motor Europe, Hyundai Motor Europe, Iveco Group, JLR, Mercedes-Benz, Nissan, Renault Group, Toyota Motor Europe, Volkswagen Group, and Volvo Group
- Visit www.acea.auto for more information about ACEA, and follow us on www.twitter.com/ACEA_auto or www.linkedin.com/company/ACEA/

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 directly employ 1.7 million people in the EU.
- Visit www.clepa.eu for more information about CLEPA, and follow us on https://twitter.com/CLEPA_eu or www.linkedin.com/company/clepa