



European
Automobile
Manufacturers
Association



CLEPA
European Association of
Automotive Suppliers

PRESS RELEASE

BREXIT SHOULD NOT UNDERMINE AUTOMOTIVE COMPETITIVENESS, MANUFACTURERS AND SUPPLIERS WARN

Brussels, 27 April 2017 – Ahead of the EU-Brexit summit this weekend, European automobile manufacturers and suppliers today sounded the alarm over the potential damage that Brexit could do to the competitiveness of their industry, which represents 6.5% of EU's GDP and provides employment to some 12.2 million Europeans across the continent.

Automotive manufacturing is a highly complex industry. A single vehicle part may be composed of over 30 components, and undergo over one hundred process steps to become a finished product. It may pass through 15 countries, and cross borders multiple times in its material journey. A single vehicle, in turn, consists of around 30,000 parts.

Vehicle manufacturers currently operate some 300 assembly and production plants in Europe. They often manufacture engines or transmissions in one country and assemble the final vehicle in another. The European Single Market provides for a high level of economic and regulatory integration in this respect. This level of integration is reflected in how the automotive industry has strategically set up its business operations in terms of supply chains, production sites and distribution networks.

Today, the EU is the UK's biggest trade partner. More than half of all the cars and 90% of all the commercial vehicles built in the UK last year were bought by customers in Europe. The other way around, the EU represents more than 80% of the UK's motor vehicle import volume, worth €42 billion. Seven out of every 10 new cars sold in the UK come from EU plants.

Addressing journalists at a press conference, Erik Jonnaert, Secretary General of the European Automobile Manufacturer's Association (ACEA) stated: "Today, the automotive industries of the European Union and the United Kingdom are closely integrated; from the economic, regulatory and technical points of view. Any changes to this level of integration will most certainly have an adverse impact on automobile manufacturers with operations in the EU or the UK, as well as on the European economy in general."

This impact would potentially be felt in a number of areas, including tariffs, customs procedures, the regulatory framework, and access to labour. Tariffs, for instance, could amount to 10% for passenger cars, 10 to 22% for commercial vehicles, and 3 to 4% on average for parts and



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components.

Sigrid de Vries, Secretary General, European Association of Automotive Suppliers (CLEPA): “The EU Single Market represents a fundamental driver of global competitiveness. Vehicle manufacturers and component suppliers are entangled in a highly integrated manufacturing network spanning Europe. Tariff- and burden-free market access, as well as a stable and predictable regulatory framework, are crucial instruments to sustain the supplier industry’s technology leadership and secure investments and jobs.”

Notes for editors

About ACEA

- ACEA represents the 15 Europe-based car, van, truck and bus manufacturers: BMW Group, DAF Trucks, Daimler, Fiat Chrysler Automobiles, Ford of Europe, Hyundai Motor Europe, Iveco, Jaguar Land Rover, Opel Group, PSA Group, Renault Group, Toyota Motor Europe, Volkswagen Group, Volvo Cars, and Volvo Group.
- More information can be found on www.acea.be or [@ACEA_eu](https://twitter.com/ACEA_eu).
- ACEA’s position paper on Brexit can be found online at: <http://www.acea.be/publications/article/acea-position-paper-brexit>
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About CLEPA

- CLEPA is the European Association of Automotive Suppliers. 121 of the world’s most prominent suppliers for car parts, systems and modules and 23 National trade associations and European sector associations are members of CLEPA, representing more than 3 thousand companies, employing 5 million people and covering all products and services within the automotive supply chain. European automotive suppliers invest €22bn in RDI per year . Based in Brussels, Belgium, CLEPA is recognised as the natural discussion partner by the European Institutions, United Nations and fellow associations (ACEA, JAMA, MEMA, etc.).
- More information can be found on www.clepa.be or www.clepa.eu
- CLEPA’s position paper on Brexit can be found online at: www.clepa.eu
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