

Thorsten Muschal CLEPA President



Automotive suppliers have spent the last two years proactively responding to supply chain disruptions and chip shortages caused by the impact of COVID-19. The current inflation period with massively increased costs, especially for energy, transport and materials is intensifying an already stressed supply chain. However, we are a resilient industry and always find a way to transform and adapt to changing circumstances, but the current pressures we are facing are unprecedented.

The green and digital twin transition was at the centre of this year's policy work at CLEPA. More specifically, the "Fit for 55" package, published in July with the aim to reduce net greenhouse gas emissions (GHGs) by at least 55% by 2030, towards climate-neutrality in 2050, has been the focus for the CLEPA team and its members. At the core of this work was the legislative proposal for CO₂ standards for cars and vans.

The fog in which we find ourselves is all the more reason to push ahead towards the certainty of climate neutrality. But this will require a full commitment to innovation, coupled with a flexible regulatory framework that facilitates investment, anticipates change, and allows for the full scale of technological progress.

Now more than ever, we need a strategy that is diversified, market-based and focuses on the mutual goal of emission reductions. A mixed technology policy framework allows for innovation and flexibility. We also need to continue new investments in R&D and talent acquisition, as much as we need partnership and collaboration to build a more robust supply chain.

CLEPA has supported the position of technology openness, through a green, just and resilient transition, always promoting a market-oriented, feasible and comprehensive policy framework that avoids distortion of the single market. Automotive suppliers have strongly advocated against the de facto ban of the internal combustion engine foreseen by the European Commission's proposal, stressing the negative impact that it would have on employment for the supply industry.

To substantiate this position Clepa launched a first of its kind industry study, carried out by PwC Strategy&, assessing the impact of three different market scenarios on employment and value-add across the EU and in seven key automotive markets along the supply chain until 2040. The results showed that an EV-only approach would put over 500k jobs at risk in the Internal Combustion Engines (ICE) powertrain domain.

In parallel, another important mobility legislation, such as the EU Digital Strategy, was also moving forward. CLEPA was actively involved, advocating for an open data market in the Data Act consultation and supporting the Commission's proposal to develop a semiconductor strategy through the Chips Act. Regarding the Artificial Intelligence Act, CLEPA asked that AI-related technical requirements for automotive products need to be implemented into the existing vehicle type-approval framework, to avoid creating overlapping legislation and controls.

The mobility transition and the policy framework for the Green Deal will undoubtedly change the face of the industry, including the restructuring of production sites and the workforce. Our vision for the automotive supply industry is to be the leading provider of innovative technologies and solutions for safe, sustainable and smart mobility around the world. We aim to co-create the framework conditions for advancing a sustainable and competitive supply industry in Europe, innovating mobility and bringing prosperity and employment to society at large, and we are doing it together with a strong membership that represents over 3,000 of the most innovative organisations around the globe.

We look forward to another exciting year ahead, and to working with all of our key stakeholders to define the future of mobility!

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