

Press Release: Worst job losses in the automotive supply industry since the pandemic

Brussels, 22 October 2024 – The European automotive supply industry is facing its most severe job losses since the COVID-19 crisis. CLEPA research and analysis projects that roughly 86,000 jobs have been lost in the sector since 2020. Despite forecasts that over 100,000 new jobs would be created by 2025, the reality has been a net loss of nearly 56,000 positions. A further 32,000 job cuts were announced in the first six months of 2024 alone, surpassing the worst period of the pandemic and highlighting that the biggest employment impact is likely still ahead of us. These losses are driven by declining demand, rising production costs, and delayed investments in new technologies.

CLEPA Secretary General, **Benjamin Krieger**, commented: “The latest data is a clear wake-up call. The automotive industry, a cornerstone of Europe’s economy, is facing a turning point. To safeguard jobs, accelerate the twin transition, and regain our global competitiveness, we need a regulatory recalibration. This means embracing technology-openness in the CO2 standards, ensuring fair access to in-vehicle data and overall boosting the EU’s economy and competitiveness. Without decisive action, Europe risks losing its leadership in the automotive sector.”

Key figures:

- **Since 2020, job losses in the automotive sector have surpassed COVID-19 levels, with 86,000 jobs lost overall**, leading to a net loss of 56,000 jobs despite earlier projections of 100,000 new jobs by 2025.
- **In the first six months of 2024 alone, an additional 32,000 jobs were announced to be cut**, exceeding the worst period of the pandemic, when 29,000 job cuts were announced in the second half of 2020.
- **Profitability in the supply industry remains insufficient to support the critical investments needed for Europe’s green and digital transition**, threatening leadership in automotive innovation.
- **20% of the projected EV supply chain jobs have materialised**. Only 29,000 jobs have been created since 2020, with roughly 19,000 linked to electric vehicle technologies.
- **Although the trade surplus shows signs of recovery, European suppliers are losing their competitive edge in global value creation**. At the same time, dwindling capital inflows are stalling progress in the transition.

- **Germany has been hit the hardest, accounting for 60% of total job losses**, with nearly 52,000 positions projected to have been lost between 2020 and today.

The health of the automotive supply chain is crucial not only for the automotive industry but also for Europe's industrial competitiveness. As profitability across the industry continues to decline and foreign investment dwindles, the supply chain is under immense pressure to meet ambitious green and digital targets. This pressing situation demands urgent attention from policymakers to safeguard Europe's automotive future and prevent further erosion of the industry's competitiveness.

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.

Interested in more information?

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