



Employment Tracker

*Analysis of latest figures in comparison
with 2021 EV Employment Impact Study*



BACKGROUND

2021 Study: EV Employment Transition Impact

- Automotive suppliers employ **1.7million people** in the European Union.
- In 2021, CLEPA, the European Association of Automotive Suppliers, commissioned PwC Strategy& to assess the impact of three different Green Deal policy scenarios on employment and value-add among automotive suppliers across Europe in the period of 2020-2040.
- According to [the 2021 study](#), **501,000 auto suppliers' jobs** in internal combustion engine (ICE) powertrain components production were expected to become obsolete due to a technology phase-out by 2035.
- The study foresaw that the automotive powertrain industry would face a peak in value-add and employment in 2025, followed by a very steep decline.



EMPLOYMENT TRACKER



Methodology

- **Job losses and job creation** have been monitored from 2020 to 2024 using data from the European Restructuring Monitor, powered by [Eurofound](#), the EU agency for the improvement of living and working conditions.
- Data that CLEPA selected is specifically related to events involving **automotive suppliers in Europe**.
- Every Job Creation/Loss announcement has been analysed and categorised as:
 - **EV related:** Event tied to the growth of the EV market or downgrades in forecasts.
 - **ICE related:** Event driven by decreased demand for ICE vehicles or related technologies due to the EV transition.
 - **Other reason:** Event unrelated to the EV transition, such as market adaptations, reduced demand, energy costs etc.
 - **Not specified:** No reason given in the event announcement.

Disclaimer: The CLEPA employment tracker relies on careful case-by-case analysis of hundreds of press releases and news on restructuring events. The graphs show the data in a cumulative manner, with the bar showing the total job loss or creation from 2020 up to the shown year end. It serves as the closest approximation available, but may not account for unreported changes.



KEY TAKEAWAYS



Latest data in comparison to 2021 study by PwC

1) Missed job creation projections (2020-2024):

Out of the anticipated 101,200 jobs by 2025, only 29,400 jobs have materialised. Of these, 65% (19,100 jobs) are directly linked to the electric vehicles (EV) transition. Nevertheless, so far only 20% of expected jobs in the EV supply chain have materialised.

2) Impact of market dynamics:

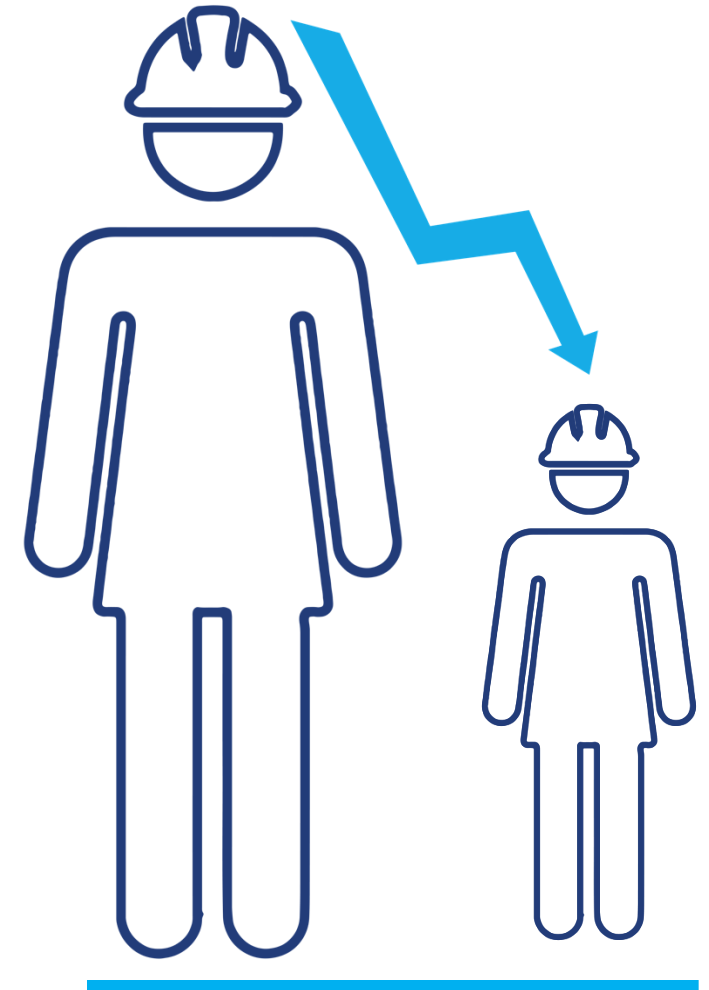
57% of the job losses can be attributed to market conditions, such as significantly lower production volumes and demand, as well as higher production costs.

3) Impact of the transition:

26% of the job losses can be attributed to the phase-out of the combustion engine.

4) Geographic segmentation:

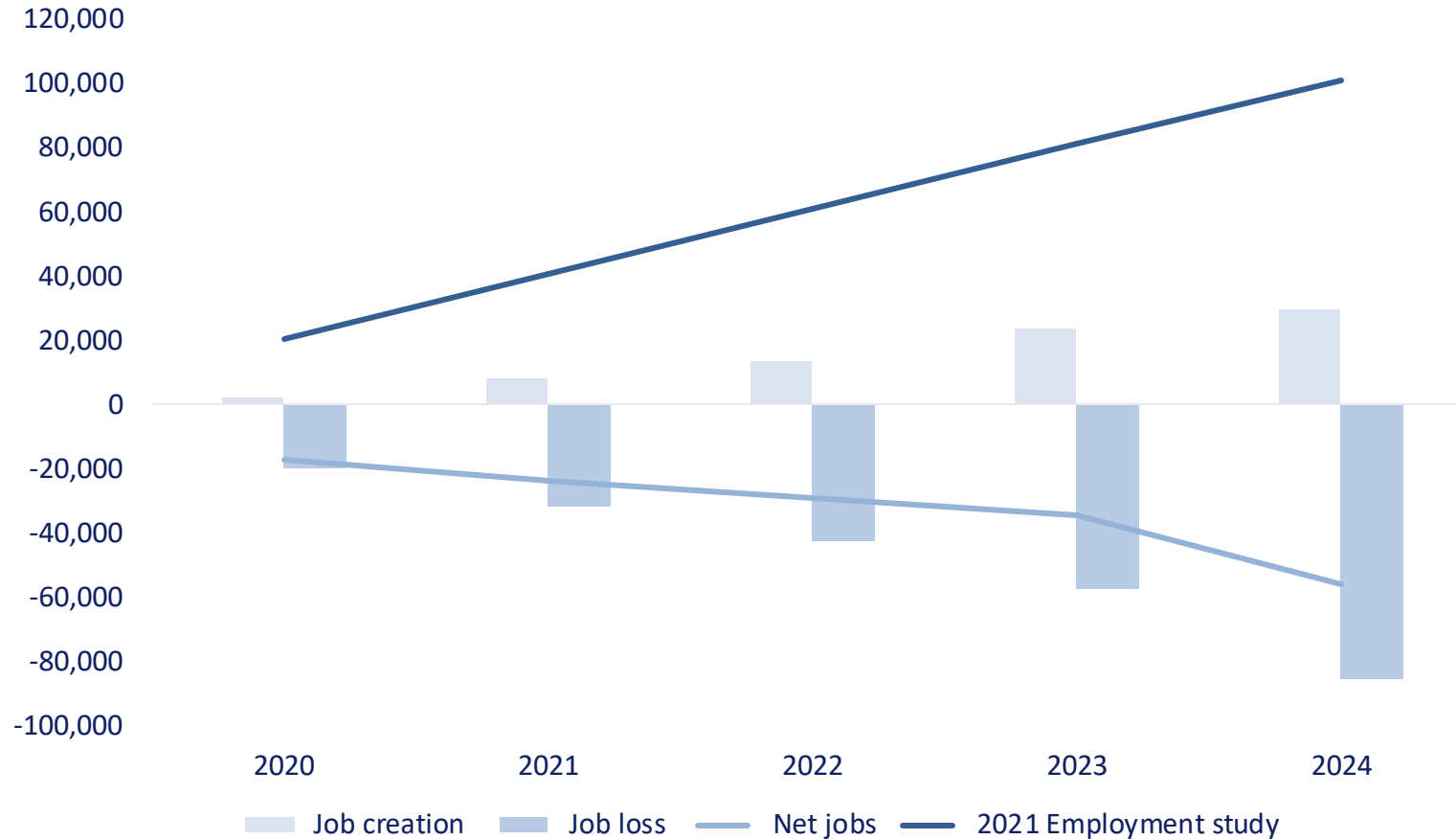
Germany is the most heavily impacted EU member state, with 60% of the job losses in the automotive sector projected to occur there. Despite these significant losses, Germany captures only 18% of the newly created jobs in the sector. In contrast, Poland leads in job creation, accounting for 28% of the new positions.



OVERALL EVOLUTION SINCE 2020



Over 100,000 jobs were expected to be created between 2020 and 2025, but net balance is a loss of over 56,000 jobs



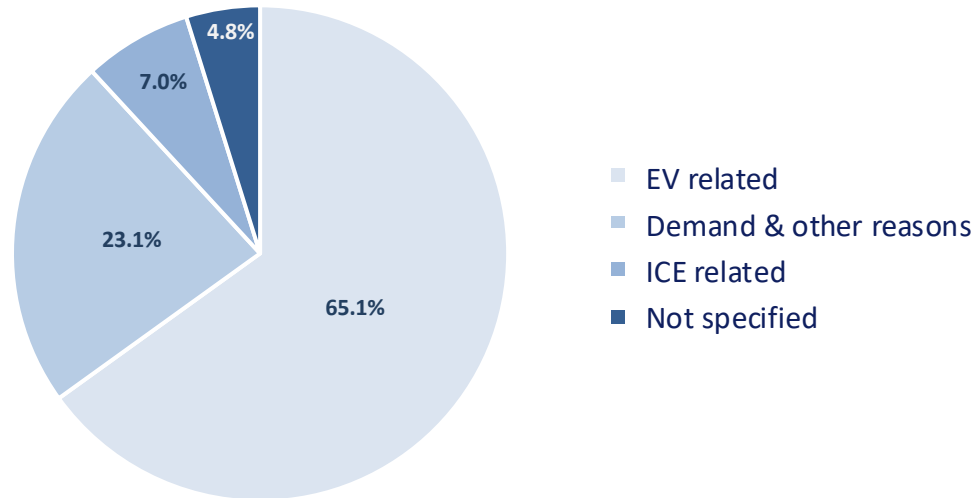
- **85,700 jobs have been lost since 2020**, a sharp contrast to earlier studies that anticipated no job losses during this period.
- **Only 29,300 jobs have been created**, significantly below the job creation forecasted.
- **Net job losses in the automotive supply industry now total -56,400**, highlighting the significant workforce impact.

EMPLOYMENT CHANGE DRIVERS

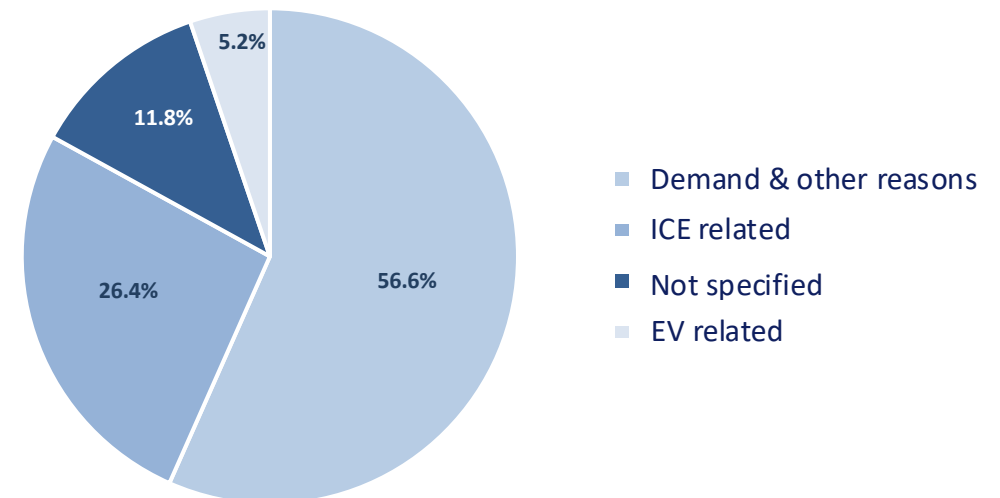


Combustion engine phase-out starts to affect employment, but majority of job losses due to falling demand and rising costs

Job creation (2020-2024)



Job loss (2020-2024)

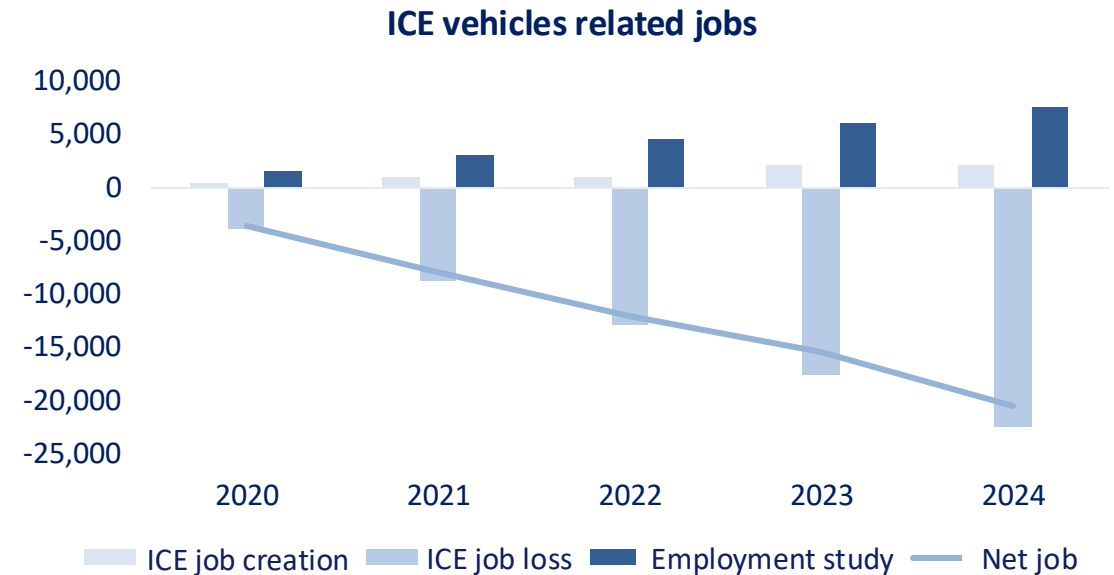
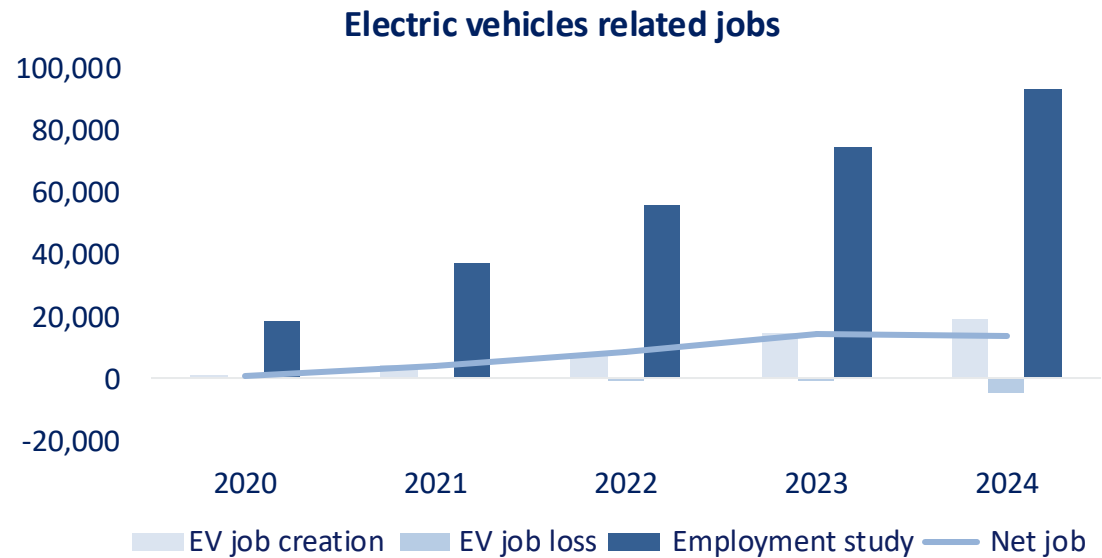


- Out of the 29,100 jobs created in the automotive supply industry, **19,000 jobs (65%) are directly linked to the electric vehicles technologies**, while 2,070 are related to ICE technology. Additionally, 6,800 jobs are tied to non-powertrain components (e.g., lighting, seats, etc.)
- Out of the 85,700 jobs lost since 2020, **22,600 (26%) are linked to ICE technologies**. However, the majority of job losses are not tied to powertrain technologies, but rather to broader to a significant decline in demand and higher production costs.

DRIVETRAIN TYPES



Less than 1/5 of expected jobs in EV supply chain have materialised



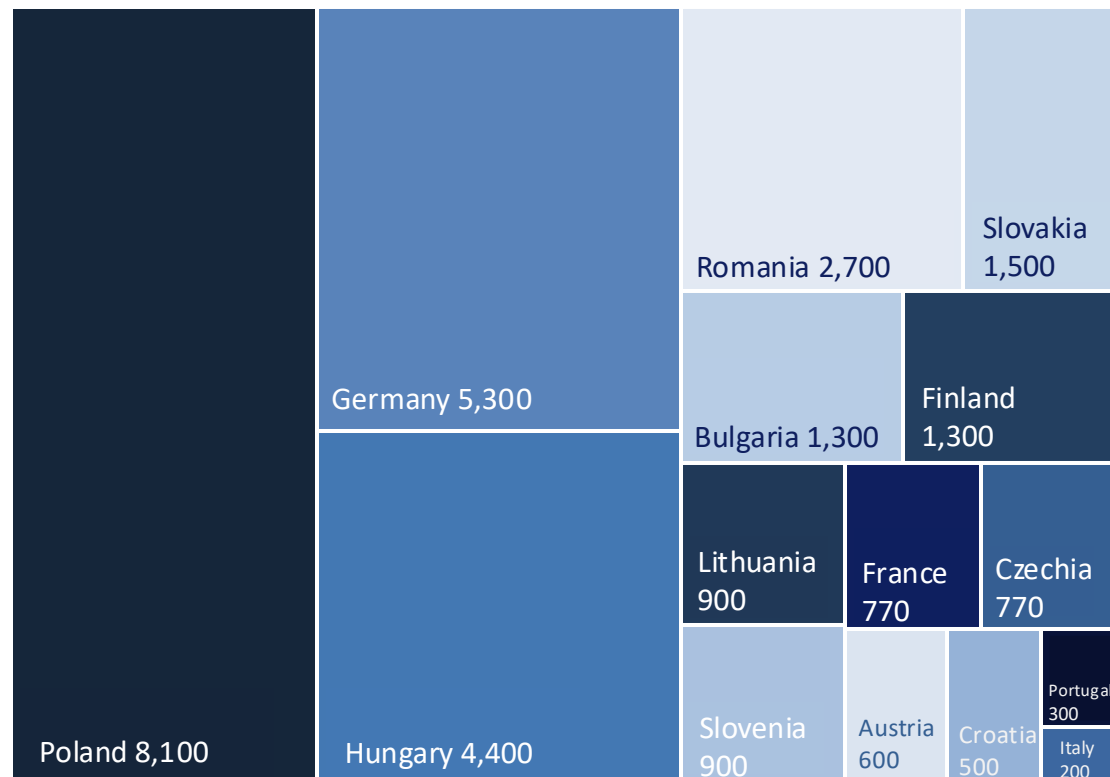
- The 2021 study **projected the creation of 93,700 jobs in the EV domain**, but only **19,100 have materialised to date**. A downward revision in EV forecasts has led to a loss of 4,500 jobs.
- On ICE technology, the 2021 study **predicted the creation of 7,500 jobs**, yet only **2,070 have been created** since 2020. Meanwhile, **job losses directly related to ICE have totalled 22,600 jobs**.

EVOLUTION PER COUNTRY

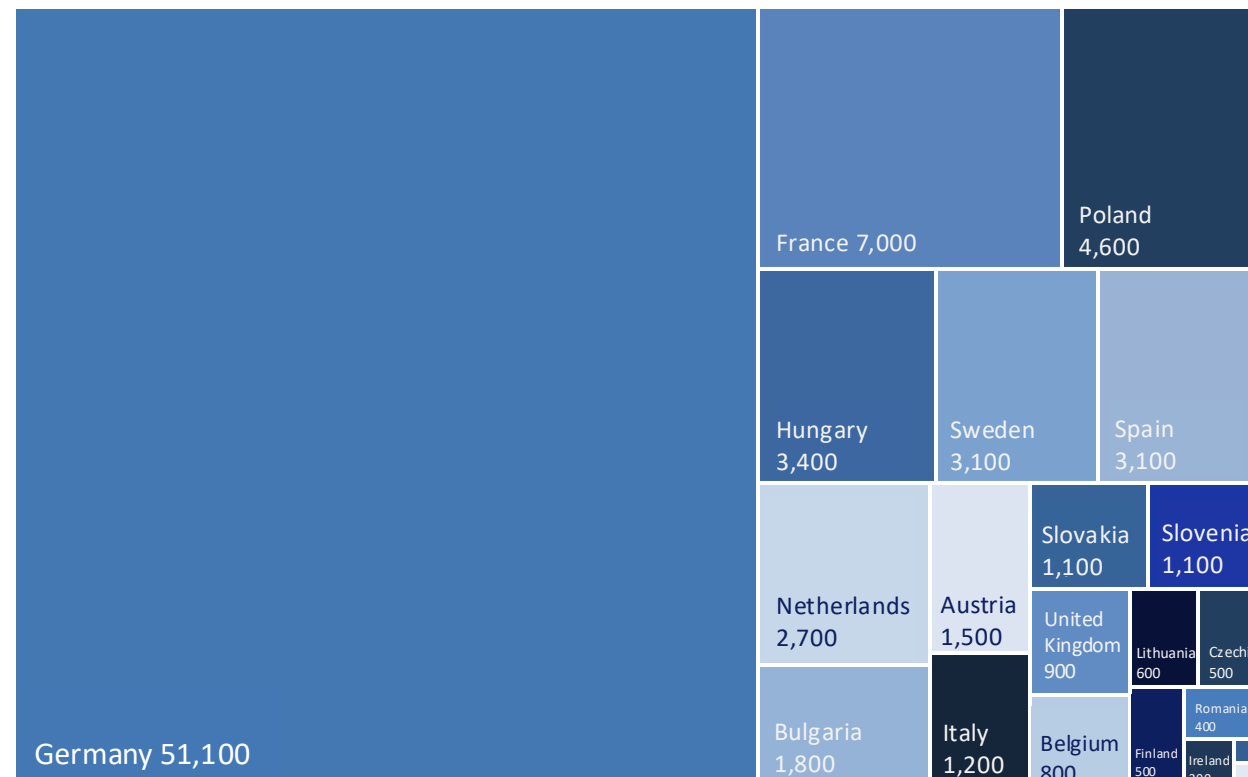


Germany is bearing the full brunt of European industry's loss of competitiveness, with a net loss of more than 51,000 jobs

Job creation (2020-2024)



Job loss (2020-2024)



- **Germany accounts for 60% of the job losses between 2020 and 2024, with 51,100 jobs projected to be lost. France accounts for 8% of losses, and Poland for 5%.**
- **In terms of job creation, Poland leads with 28% of new jobs, followed by Germany at 18%, and Hungary at 15%.**

EUROPEAN AUTOMOTIVE SUPPLIERS AT A GLANCE



75% of the value of a vehicle comes from its parts, components, and systems



32% of total **R&D investment** in the EU comes from automotive, making the sector the top private investor



€30 billion are invested yearly in research and development



1.7 million direct jobs generated across the EU



+39,000 new patents are registered each year



€26.7 billion trade surplus generated in 2023

65 years advocating for safer, smarter, and more sustainable mobility



+120 global automotive suppliers, covering all systems and parts in a vehicle



20 national trade associations & sector organisations



+3,000 companies across the entire supply chain