

## Holistic approach needed to lead zero-emission manufacturing, regulation alone can't get us there

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**European auto makers and suppliers today met with Commissioner Séjourné to discuss what's needed to reinforce the entire automotive value chain, from batteries and critical raw materials to accessible, affordable energy for both industry and consumers.**

As Mario Draghi's report rightly highlights, the automotive sector is a key example of the "lack of EU planning, applying a climate policy without an industrial policy." The European auto sector is 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. To ensure our sector's competitiveness we need firm action to turn the Draghi report into action through real decisions and reforms.

"The shift to zero-emissions means far more than a simple switch from one vehicle technology to another; we need a broader ecosystem approach that incentivises new value chain partnerships," stated Sigrid de Vries, ACEA Director General. "The automotive sector is a European success story, but regulating specific steps of the value chain will not enable our sector to lead this transition and maintain its status as an automotive manufacturing hub. We can only fully unleash our competitive edge by incentivising and revamping our approach to regulating. Europe should be the first-choice manufacturing hub for zero-emission vehicles, but we need a mindset shift and dramatic overhaul of how we incentivise and regulate our industry to make it happen, fast."

"Without targeted support, groundbreaking ideas will never hit the road. The future of EU mobility depends on building on our strength in innovation and ensuring we scale and industrialise new technologies faster," says Benjamin Krieger, Secretary General of CLEPA, the European Association of Automotive Suppliers. "Regulation must embrace technology diversity to give engineers the liberty to innovate. A streamlined funding framework, with close alignment between pre-competitive support and instruments like Important Projects of Common European Interest, can help derisk investment. We need strong backing for early-stage breakthroughs and a framework that strengthens the interplay between technologies —as currently reflected in the technology list of the Net-Zero Industry Act—to accelerate the rollout of a wide range of sustainable mobility solutions."

Note to the editor

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.

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