


CLEPA, the European Association of Automotive Suppliers, represents over 3.000 companies supplying state-of-the-art components and innovative technology for the mobility of the future.

Our industry directly employs 1.7 million people across the continent and supports many more livelihoods indirectly.

CLEPA represents  
over **120 global  
suppliers**

Plus **14 national  
associations & 14  
associated  
members**



**75%**  
of the vehicle value  
comes from suppliers



**€30 bn**  
Invested in R&D each year

# GREEN DEAL: AUTOMOTIVE SUPPLIERS' KEY MESSAGES

All renewable energy solutions and clean drivetrain technologies are needed to decarbonise the road transport sector and achieve the EU's climate neutrality objective

## Technology open approach

- Enable the deployment of **all clean drivetrain technologies** (BEV, FCEV, ICE/PHEV, hydrogen combustion)
- **Avoid technology bans** leading to an EV only market
- **Shift from tailpipe to well-to-wheel** approach to account emissions

## Role for renewable fuels

- Acknowledge the **role of renewable and low carbon fuels**, also in reducing the enormous **infrastructure costs** of an electrification-only approach
- Introduce a **crediting scheme**
- Set a **more ambitious** GHG intensity reduction target in transport sector in the RED

## Social & Employment dimension

- Address the **social impacts** of higher carbon price
- Consider and address the **impact** of the proposed measures **on employment**, especially in regions with a dense automotive suppliers' industry

# KEY FINDINGS



Electrification puts **powertrain employment** significantly **at risk** (potential net loss of up to 275k employees until 2040)  
– *In all, 501k jobs at stake in the ICE domain, without counting employment created by electrification*



**Majority of future value-add** in powertrain technologies depends on **EU battery production** (70% of value-add)  
– *subsequently, European employment significantly depends on local battery production*



A **steep net reduction** of 291k jobs is expected **between the 2030 and 2035** timeframe alone  
– *A total of 360k jobs impacted in the ICE domain, pressure to transform towards future needs (e.g., software, electronics, infrastructure)*



A **mixed technology** scenario **mitigates** the impact on employment and creates value-add until 2040  
– *driven by hybrid vehicles market share*

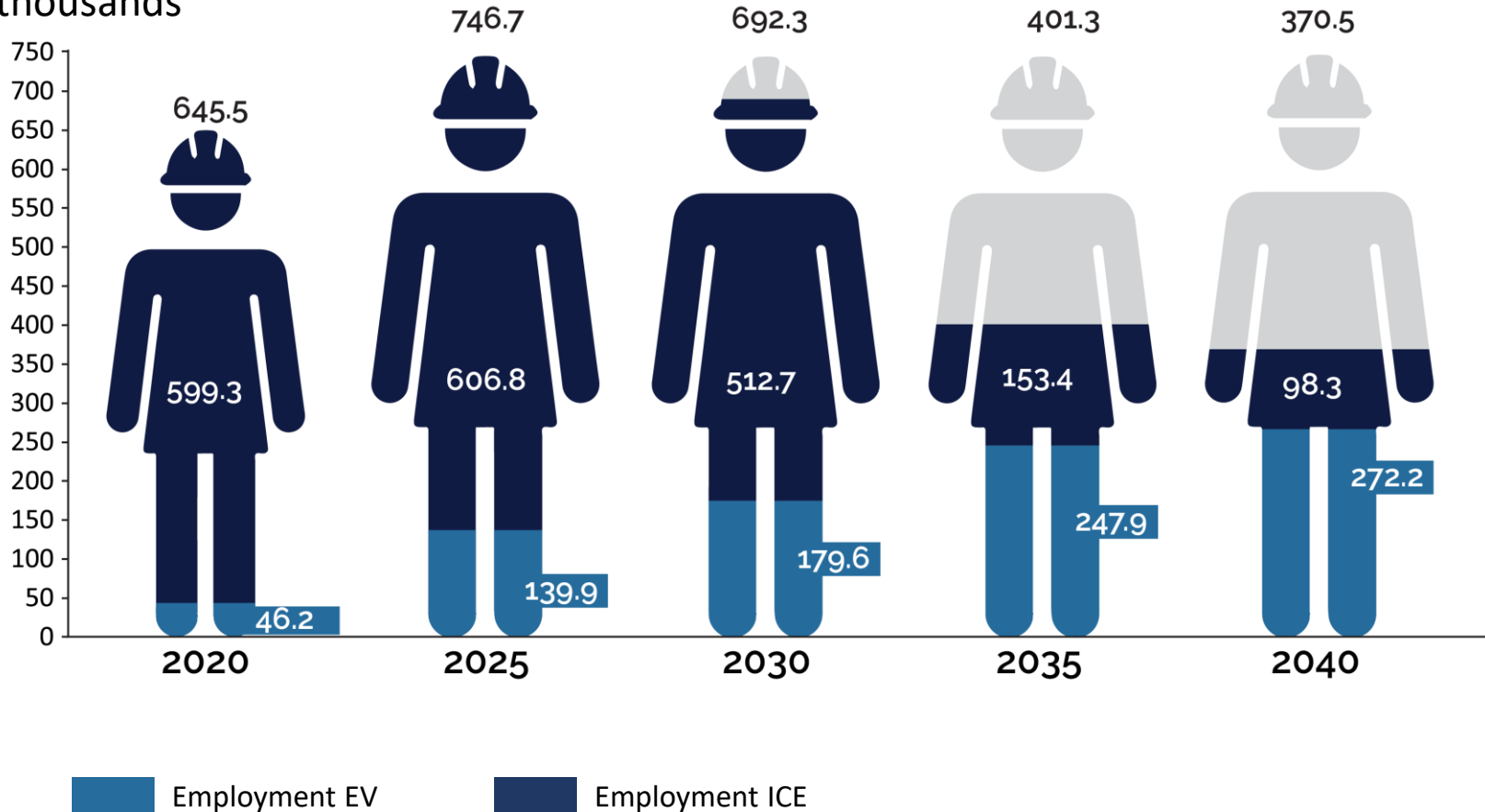


**Western European countries** will likely be best placed as strongholds in **EV production** (+56,2 €bn value-add until 2040)  
– *By contrast, Central Eastern European countries will shape the run-down of ICE vehicle production*

# EV-ONLY SCENARIO WILL SHED HALF A MILLION AUTO SUPPLIER JOBS

**-84% current jobs in ICE**

Employment in thousands

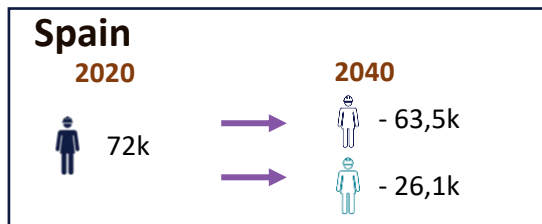
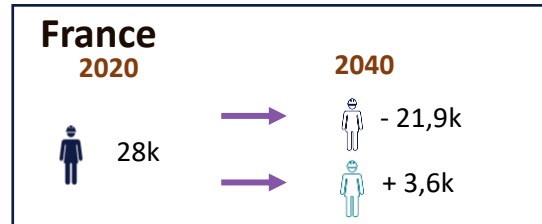
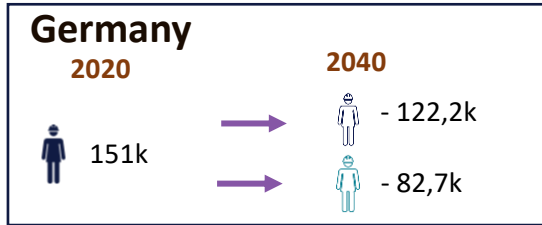


- **501K jobs will become obsolete** from now until 2040
- This is about **one-third of current workforce**
- EV powertrain creates 226k **new opportunities** but still net loss of **275k jobs**
- **Not 1:1 compensation** for ICE to EV powertrain employment

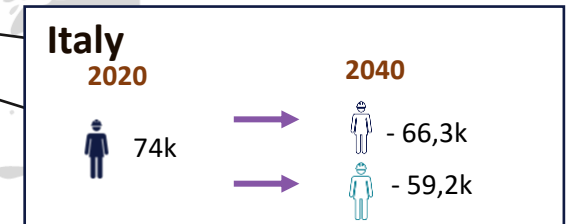
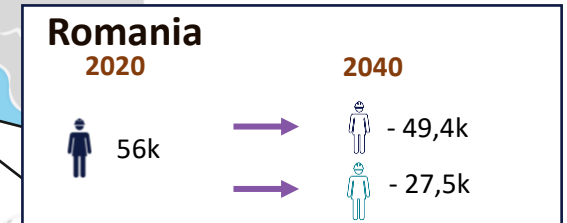
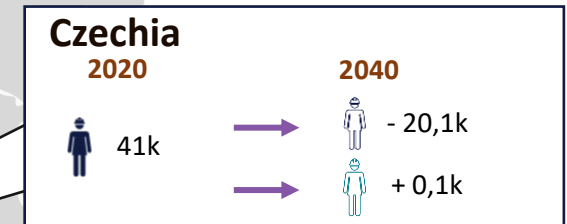
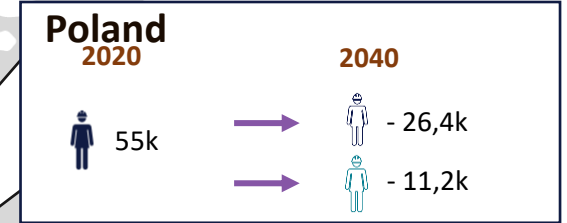
# GEOGRAPHICAL BREAKDOWN

EV-only scenario

- Focus countries
- Europe as a whole: EU27 countries, EFTA, UK
- Net ICE powertrain employment
- Net overall powertrain employment (EV + ICE)



7 Focus countries cover ~74% of European automotive production



# GREEN DEAL: HOW TO MAKE IT WORK

Integrated approach, 'just' transition, knowing the stakes



Recharging



Refuelling



Level playing field for powertrain technologies



Affordability