

A COMPETITIVE EUROPEAN AUTO INDUSTRY, DRIVING THE MOBILITY REVOLUTION



FUTUREDRIVEN **MANIFESTO**





1

WHY DOES IT MATTER?

The automotive industry is a global leader and engine for growth in Europe. It provides jobs to around 13 million Europeans, contributes 7% of EU GDP, provides a healthy trade balance of more than €100 billion, and brings in well over €390 billion in government revenue. The sector is one of Europe's most cutting-edge industries, investing almost €73 billion in R&D annually.

But beyond these and many other impressive numbers, the vehicles we make provide freedom for all and underpin our very way of life. Indeed, without cars and buses, adequate participation in social and economic life would simply not be possible in many cases.

Trucks and vans also have a vital role in society's functioning, enabling all kinds of essential goods to be delivered to consumers and offering transport services to business partners. Indeed, most of our daily necessities, such as fresh food from the supermarket or medical supplies, rely on trucks or vans at some point in the distribution chain.

JOBS

13
MILLION

**THE EU AUTO
INDUSTRY:
AN ENGINE OF
GROWTH**

TRADE BALANCE

€100
BILLION

GOVERNMENT REVENUE

€390
BILLION

EU GDP

7%

R&D INVESTMENT

€73
BILLION



2

WHAT ARE THE CHALLENGES?

Our sector is in the midst of the biggest transformation in over a century. We are fully committed to the Paris climate goals and are heavily investing in the green transformation. There is no question for us about the need to decarbonise – the future of our planet is at stake. We are investing billions to make this happen – far more than any other sector.

The green transformation brings with it whole new value chains, which Europe has not yet fully developed. The transition to the digital age has also brought about profound changes in the business of vehicle manufacturers. At the same time, we are faced with fierce global competition, rising costs of doing business, increasing protectionism, and a radically changing geopolitical landscape.

Europe and the auto industry are at a critical juncture. The hurdles are huge, and the stakes are high. Urgent coordinated action is needed by European policy makers. Our aim with this manifesto is to support the EU's new leaders by articulating our vision, making high-level policy recommendations, and setting out a focused, collaborative roadmap for action by industry and our partners.



3

OUR VISION FOR A FUTURE-PROOF EUROPEAN AUTO INDUSTRY

A #FutureDriven European automotive industry:



Innovates and sustainably produces cars, vans, trucks, and buses;



Is firmly rooted in local communities and secures highly skilled European jobs, fully harnessing diversity, equity, and inclusion (DE&I);



Provides mobility for all via a full range of vehicles and transport solutions tailored to diverse customer needs;



Leverages vehicle connectivity to enhance traffic efficiency and fluidity and to increase road safety; and



Is resilient, allowing Europe to compete and export globally, to create value, and to continue to invest in the future.



4

FIVE POLICY RECOMMENDATIONS FOR THE NEXT FIVE YEARS

We have formulated five high-level policy recommendations for the EU institution's next five-year mandate (2024–2029):

1. Time for an 'Industry Deal': Put industrial strategy firmly back on the agenda

- Establish a holistic EU industrial strategy across all steps of the digital and green value chain: from R&D, mining, refining, components, and manufacturing; to charging networks, energy, purchase incentives, and recycling across the whole life cycle

2. Take a strategic view: Rethink the regulatory framework

- Go beyond an approach focusing on piling up regulations, and instead develop a cohesive strategy with:
 - long-term planning certainty and sufficient lead time;
 - a more reasonable pace of regulation; and
 - viable alternatives in case of 'exit strategies' for specific technologies/substances.

3. Stay in the race: Make sure we can be competitive globally

- Secure a level playing field for sustainably made European vehicles by defending fair and free trade rules and ensuring access to critical supplies
- Make Europe an attractive place to manufacture and to work

4. Keep an open mind: Make technology neutrality a guiding principle

- Ensure that technology openness fosters innovations and guides all EU regulatory proposals

5. Keep Europe moving: Preserve the mobility of people and goods

- Mobility is key to wealth creation and must not be jeopardised: it should be affordable and accessible to all European citizens and businesses



5

ROADMAP FOR A #FUTUREDRIVEN EUROPEAN MOBILITY ECOSYSTEM

Given the scale of the transformation and challenges, no single stakeholder will be able to transform the whole mobility ecosystem alone. Therefore, we are putting forward a collective roadmap based on three pillars: supply, production, and demand.

This roadmap should be jointly implemented by all relevant partners. ACEA will develop an action and engagement plan for each of these pillars, to be rolled out over the coming months and years, involving relevant stakeholders. For some actions, our industry will sit in the driving seat; for others, we will support the leading partners.

1. SUPPLY: Secure a reliable supply of critical materials, parts, components, and affordable energy

- Promote a sustainable and socially responsible value chain, including in Europe
- Accelerate the administrative clearance of procedures, eg, for permitting
- Guarantee a steady supply of affordable energy at a globally competitive price
- Secure access to critical raw materials through trade deals and specific raw material agreements with third countries

2. PRODUCTION: Make Europe a hub for manufacturing green and smart vehicles

- Create the conditions for manufacturing a full range of zero-emission vehicles, including small electric vehicles that are affordable to buy and profitable to produce in Europe
- Accelerate the up- and reskilling of the EU automotive workforce so that it is equipped to build the green and smart vehicles of the future
- Enhance automotive circularity via research, notably for recycling technologies
- Drive the development of software-defined vehicles to unleash the potential for industry to excel in software development and data-driven mobility solutions
- Develop and deploy automated vehicles that improve quality of life, enhance safety, and maximise the efficiency of transport in Europe

3. DEMAND: Scale up the market of zero-emission vehicles

- Ramp up electric charging and hydrogen refilling infrastructure – suitable both for light- and heavy-duty vehicles – right across the EU
- Boost the market uptake and deployment of zero-emission vehicles, using smart policy and technology tools to cater for diverse transport needs
- Expand purchase incentives, procurement schemes, and tax benefits for consumers and businesses

We invite all partners to join us in the **#FutureDriven** movement!



Luca de Meo
CEO
Renault Group
ACEA President



Harald Seidel
President
DAF Trucks NV
Chairman of the ACEA
Commercial Vehicle Board



Sigrid de Vries
Director General
European Automobile Manufacturers' Association (ACEA)



Oliver Zipse
Chairman of the Board of Management
BMW Group



Martin Daum
Chairman of the Board of Management
Daimler Truck



Benedetto Vigna
CEO
Ferrari



Martin Sander
CEO
Ford in Europe



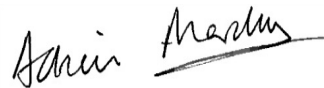
Katsuhisa Okuda
President
Honda Motor Europe



Michael Cole
President and CEO
Hyundai Motor Europe



Gerrit Marx
CEO
Iveco Group



Adrian Mardell
CEO
JLR



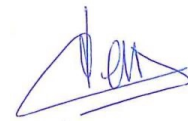
Alex Vlaskamp
CEO
MAN Truck & Bus SE



Ola Källenius
Chairman of the Board of Management
Mercedes-Benz Group AG



Guillaume Cartier
Chairperson
Nissan AMIEO Region



Didier Leroy
Chairman of the Board of Management
Toyota Motor Europe



Oliver Blume
Chairman of the Board of Management
Volkswagen Group



Martin Lundstedt
President and CEO
Volvo Group



Christian Levin
President and CEO
Scania Group



DRIVING MOBILITY FOR EUROPE

ACEA
European Automobile
Manufacturers' Association

+32 2 732 55 50
communications@acea.auto
www.acea.auto



twitter.com/ACEA_auto



linkedin.com/company/ACEA/



youtube.com/ACEAauto