

Europe's auto transition needs one thing: let the market speak

When European Commissioners [fear having to stop and recharge](#) on the way to Strasbourg, it tells us something the market has been signalling for months: range anxiety remains one of the most persistent concerns shaping consumer confidence in the EU's transition to electric mobility. And we're not getting any closer as long as industrial investment, consumer demand, and regulatory direction remain misaligned. The solution lies in a flexible, technology-neutral, and consumer-oriented framework that enables the transition to reinforce, rather than erode, Europe's industrial base.

Market signals should shape policy coherence

Charging concerns help explain why plug-in hybrid vehicles (PHEVs) [continue to gain traction](#), while battery electric vehicles (BEVs) have expanded their market share only gradually, aside from temporary spikes linked to surging petrol prices. Current trends show that all climate-neutral technologies play an essential, though evolving, role in the market.

These market realities are evidence of citizens making rational choices given today's prices, charging infrastructure, and use cases. Europe's transition policy must reflect how people afford and use vehicles, not only how an ideal end-state is envisioned on paper. That is why technology openness matters.

Decision-makers should recognise that a range of technologies capable of delivering emissions reductions is already available today, while also supporting consumer choice and industrial resilience.

Competitiveness and global pressure are intensifying

A rigid, single-technology trajectory risks creating competitive asymmetries in a global market where other regions pursue broader technological strategies. This is particularly visible in competition with Chinese car manufacturers, which continue to expand exports of both battery electric and plug-in hybrid vehicles into Europe despite existing tariffs. A Rhodium Group [study](#) found exports increased 29% to 922,000 units last year, reaching 9.3% of EU new car sales, with shipments up another 62% in early 2026.

The pressure on the supply side is sharper still. [CLEPA analysis](#) shows that China now outspends European suppliers on automotive capex by 57% and generates roughly twice the value-added output of the EU, thus reversing a manufacturing lead Europe has held for a generation.

Beyond the specific figures, the structural point is clear: global competitors are competing across multiple technologies simultaneously, combining cost advantage with strategic flexibility.

Next milestones

The stakes of the transition clearly go beyond emissions targets. The objective of decarbonising road transport is not in question. The real challenge is ensuring that Europe's regulatory and industrial frameworks are calibrated to industrial realities, technological readiness, and the conditions needed for coherent market uptake.

This starts with a pragmatic refinement of the CO₂ framework, allowing market-driven dynamics to support the most effective solutions for regional and local markets while playing to Europe's competitive strengths throughout the transition.

It also requires delivering on the promises of the [Industrial Accelerator Act](#). Policymakers must create the conditions for local value creation, secure investment across the battery and EV supply chain, and strengthen Europe's industrial capacity for green mobility.

Any delays or half-measures would come at a cost that Europe's automotive industry cannot afford. Policymakers should recognise the implications of their decisions for employment and the market economy. CLEPA remains open to constructive dialogue with all active parties to support both Europe's climate ambitions and industrial competitiveness.

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