

## Thousands of jobs at risk: CLEPA calls on EU Council to anchor a sustainable automotive supply chain in Europe

*Brussels, 17 June 2026* – Ahead of the crucial EU Council meeting on 18 June, CLEPA, the European association of automotive suppliers, welcomes the emerging consensus across the automotive sector: Europe urgently needs a credible framework to incentivise production in Europe under the Industrial Accelerator Act (IAA).

As negotiations advance, CLEPA is calling on the European Parliament and Council to lock in the Commission's robust definition of what qualifies as “European vehicle” to protect the industrial value chain, including critical technologies, from unfair competition and reduce pressure to offshore manufacturing jobs.

Today, 75% of the parts in European-built vehicles are produced locally, as confirmed by a recent [Roland Berger study](#). In other words, **vehicle components represent the largest share of value creation, jobs, and investment in Europe's automotive ecosystem**. A methodology that broadens the calculation base while keeping the threshold unchanged means far less incentive to source and produce components in Europe, potentially leading to increased delocalisation of manufacturing.

The impact of the uneven playing field is already visible. Imports of automotive components from China into the EU reached €8.2 billion in 2025, shifting the EU's bilateral trade balance in this sector from a surplus of nearly €7 billion to a deficit of €0.7 billion in just five years. The stakes for the European automotive supply industry are exceptionally high: without fair competition, the EU risks losing up to 350,000 jobs by 2030 and a significant part of its manufacturing capability which also impacts its strategic autonomy negatively.

To prevent this scenario and secure Europe's future as a manufacturing and innovation hub, the IAA must cover the automotive component market and close backdoors that allow cheap and highly subsidised non-EU imports. Furthermore, CLEPA calls for calibrating Foreign Direct Investment thresholds in the battery and EV value chains to ensure genuine supply-chain resilience. This must be paired with fostering authentic industrial cooperation with trusted trade partners, like the UK and EFTA countries, through a targeted, risk-based approach that prevents trade circumvention.

The IAA is not a silver bullet but a critical first step: structural measures to improve the EU's competitiveness as a location for manufacturing and investment are urgently needed to keep the core of automotive innovation firmly anchored in Europe.

## **About CLEPA**

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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