

Vehicle makers urge EU to act upon CARS21 recommendations on strengthening the future of the auto industry in Europe

Brussels, 6 June 2012 – The European automobile manufacturers welcome the main recommendations of the final report adopted, today, by the CARS21 High-level Group but warn that these proposals now need to be executed urgently. The report, produced by a coalition of EU Commissioners, various ministers, automobile industry CEOs, suppliers, trade unions and civil society, lists ways and means of strengthening the future of the automobile industry in Europe.

“It is essential that the findings are implemented and real action taken as soon as possible”, said Sergio Marchionne, President of the industry’s trade association ACEA and CEO of FIAT S.p.A. The CARS21 report focuses on improving the competitiveness of the auto industry in a global perspective, by streamlining the EU regulatory framework and better coordinating relevant European policies.



“Unfortunately, CARS21 recommendations have often been ignored in the past and we are seeing worrying signals again”, stressed Marchionne. He highlighted, in particular, the way in which Europe is conducting free trade negotiations. “CARS21 rightly emphasises that trade relations should deliver reciprocal benefits, that tariffs should be eliminated and non-tariff barriers dismantled. However, the EU always appears ready to compromise on these conditions as experience has shown with South-Korea and other examples”, said

Marchionne. “Trade policy and industrial policy must be aligned and reliable.”

The auto industry needs the EU regulatory framework to be much more supportive in order to sustain and strengthen the sector’s position in the fiercely competitive global market place. Regulation, rigid by nature, too often adds undue complexity and costs, or limits flexibility. The European manufacturers are world leaders in CO₂-reduction technologies, road safety solutions and intelligent mobility concepts. ‘Smarter’ policies and regulations can and should reinforce the industry’s competitiveness, and benefit the European economy as a whole.

The outlook for the European vehicle market in 2012 has further worsened due to the challenging economic situation in many of the EU member states. New car registrations are expected to decrease by about 7% compared to 2011 and, though not all manufacturers are affected to the same extent, vehicle production in Europe is likely to decline as well. “Our industry has proven to be extremely resilient, but optimising competitiveness is key in an increasingly globalised world”, said Marchionne. “We in Europe cannot just stand aside and watch developments take their course.”