

To: Transport Ministers of the EU 27 Member States

19th September 2024

Open Letter - Call for EU 27 Member States Transport Ministers to focus on the right priority Industrial Policy actions

To the attention of the EU 27 Transport Ministers,

We write on behalf of Europe's e-mobility association (AVERE) to provide our recommendations on the EU policy actions needed to ensure the competitiveness of Europe's electric vehicle ecosystem – from vehicles to charging, batteries and services. We send these recommendations ahead of this week's informal Transport Council meeting in Hungary.

First, we endorse Mario Draghi's findings on Europe's e-mobility competitiveness gap. Europe's electric vehicle value chain faces rising competition pressures from China and other regions as well as high energy prices and other barriers, requiring policy urgency to keep our domestic manufacturing goals on track.

Investment plans across our value chain are under severe pressure today. Hundreds of thousands of quality new jobs can still be created here in batteries, charging, components, and more, but many risk being captured by our competitors without your decisive action.

The EU must keep its 2035 zero-emission car sales target and all intermediate steps in place starting with 2025, as the compass under which to tackle these pressures (as well as for heavy duty vehicles). These targets are crucial to keeping predictability for companies across our ecosystem to commit investments into building up Europe's battery supply chain, its charging infrastructure, and advancing electric vehicles themselves.

Mario Draghi makes clear that the EU's fault has been not accompanying these targets with the necessary industrial policy to ensure competitiveness - compared with China's long-term planning or the US Inflation Reduction Act and its predictable incentives. Let us make Europe's competitiveness the defining political focus of the next five years.

We have confidence that Europe will reestablish its place in the electric vehicles race if you deliver the urgent and comprehensive EU policy action necessary to kickstart growth. The consumer willingness is there – with 57% of surveyed non-electric vehicle owners willing to buy one in the future – if we in Europe work to get the enabling conditions right.

Here we provide five key recommendations to inform your discussions this week:

1. **Give stable and effective incentives for raising Electric Vehicle demand:** Restore stability across Member State EV incentive programmes while introducing an EU framework to help harmonize national requirements, and fast-track the EU's corporate fleet legislation review, including effective measures for stimulating leasing demand.

2. **Address Europe's supply chain finance gap:** Fast-track adequate EU-level finance for supporting manufacturing scale-up across Europe's battery supply chain, expanding on the €3 billion committed under the Innovation Fund, within an effective system design.
3. **Implement infrastructure commitments:** Invest in comprehensive charging infrastructure – both slow and fast chargers across the EU27 – and grid scale-up and flexibility, to support the widespread adoption of electric vehicles
4. **Remove administrative blockages:** Ensure consistent implementation of adopted legislation (e.g. on charging and batteries) across Member States, while tackling the administrative blockages slowing infrastructure deployment and investment.
5. **Strengthen global raw materials sourcing strategy:** Build on the Critical Raw Materials Act with a bolder strategy for sourcing global raw materials, including through reinforced priority strategic partnerships, financing global projects, and multilateral collaboration.

Europe is at a critical fork in the road. We urge you to take the right path forward, and act decisively to seize the lasting opportunities of the e-mobility transition. If we falter now, we will be permanently handing the lead to others and risking that the benefits from this transition pass us by.

We will be pleased to discuss these recommendations with you further in a meeting with you or your staff, at your convenience.

Yours sincerely,



Chris Heron,
Secretary General
AVERE



The European Association
for Electromobility