

Action Plan on the future of the automotive sector

March 2025



The Commission presents a **comprehensive Action Plan** to keep European Automotive Sector competitive.

THE **ACTION PLAN** BUILDS ON THE STRATEGIC DIALOGUE WITH THE INDUSTRY, AND WILL ADDRESS THE FOLLOWING CHALLENGES:



Reduce dependence
on **fossil fuels**



Reduce **production costs**
to create **level-playing field**
with international competitors



Unleash the **industry's**
innovative power

OUR WORK TO ENSURE A SUSTAINABLE AND COMPETITIVE EUROPEAN AUTOMOTIVE INDUSTRY:

Clean Mobility

- Accelerating the **uptake of zero-emission vehicles** in corporate fleets
- More **flexibility for meeting the 2025 CO₂ standards** while keeping the target
- Improving **battery repairability** and accelerating the **roll-out of charging infrastructure + €570 million from the Alternative Fuels Infrastructure Facility**
- Ensuring **price transparency at recharging points**

Innovation & Digitalisation

- Creating **large-scale cross-border test beds** for automated driving
- Developing **next-generation battery technology** through BATT4EU, with a dedicated budget of around **€350 million + €1 billion from Horizon Europe for connected and autonomous vehicles and batteries**
- **A European Connected and Autonomous Vehicle Alliance** for Companies to develop shared software, chips and autonomous driving technology

Level Playing Field with non-EU competition

- Ensuring that **European companies are protected** against unfair competition
- Ensuring that **foreign investments in the EU automotive sector** benefit European companies and contribute to the industry's long-term competitiveness



Competitiveness & Supply Chain Resilience

- Boosting Europe's battery industry with a **'Battery Booster' investment package** to support EU made batteries **+ €1.8 billion from the Innovation Fund**
- **Promoting European production** of key components for connected and automated vehicles

Supporting Workers

- A **European Fair Transition Observatory** to track employment trends in the automotive sector, identifying potential "hot spots" of job displacement for proactive solutions
- **€90m Pact for Skills fund** to boost skills training in the automotive industry