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on CARS 2020: towards a strong, competitive and sustainable European car industry

(2013/2062(INI))

Committee on Industry, Research and Energy

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on CARS 2020: towards a strong, competitive and sustainable European car industry (2013/2062(INI))

The European Parliament,

- having regard to Article 173 of Title XVII of the Treaty on the Functioning of the European Union (ex Article 157 of the Treaty establishing the European Community), covering EU industrial policy and referring to, among other things, the competitiveness of the Union's industry,
 - having regard to the Commission communication entitled ‘CARS 2020: Action Plan for a competitive and sustainable automotive industry in Europe’ (COM(2012)0636),
 - having regard to the reports of the CARS 21 High Level Group on the competitiveness and sustainable growth of the automotive industry in the European Union (2012)¹ and on a competitive automotive regulatory system for the 21st century (2006)²,
 - having regard to the Commission communication entitled ‘A Stronger European Industry for Growth and Economic Recovery’ (COM (2012)0582),
 - having regard to the conclusions on the situation of European industry and the specific situation of the automotive industry adopted by the Competitiveness Council at its meeting of 10 and 11 December 2012,
 - having regard to Rule 48 of its Rules of Procedure,
 - having regard to the report of the Committee on Industry, Research and Energy and the opinions of the Committee on International Trade, the Committee on Employment and Social Affairs, the Committee on the Internal Market and Consumer Protection and the Committee on Transport and Tourism (A7-0391/2013),
- A. whereas the automotive industry is a vital part of Europe’s manufacturing base and a key source of competitiveness, growth and jobs in the EU;
- B. Whereas, despite the current economic and financial crisis of unprecedented proportions, Europe’s automotive industry has an important role to play in ensuring that certain skills and sectors of manufacturing are retained in Europe, and this requires coordinated action within the EU;
- C. whereas the current economic situation is not the sole cause of this crisis and whereas what is needed is a complete rethink of our approach to mobility in the 21st century, since mobility is a major factor in fostering economic growth;

¹ http://ec.europa.eu/enterprise/sectors/automotive/files/cars-21-final-report-2012_en.pdf

²

http://ec.europa.eu/enterprise/sectors/automotive/files/pagesbackground/competitiveness/cars21finalreport_en.pdf

- D. whereas the automotive industry is feeling the effects of a revolution in progress around the world, with demand in Europe falling or stagnating, whereas both demand and production are shifting to the emerging economies, whereas the energy sources used are changing gradually but noticeably, and whereas component parts and functions are being digitised, resulting in increasing levels of productivity, which in turn are bringing about major changes in the value chain;
- E. whereas Europe's automotive industry is still at the forefront of research and innovation worldwide and therefore needs to restore competitiveness and sustainable production throughout the entire production and value chain;
- F. whereas one solution to the problem of excess production capacity is to convert capacity to other sectors of industry, such as public transport and renewable energy, and to invest in sustainable infrastructure;

Political governance

- 1. Endorses the Commission's new strategy of launching a new European industrial policy, in particular for the sustainable automotive industry, placed at the heart of Europe's economy;
- 2. Expects the Commission to coordinate its own efforts more efficiently, in order to ensure that the CARS 2020 recommendations actually become operational and are monitored by the High Level Group in order not to repeat the failure of the first phase of the CARS 21 process (December 2005), when the conclusions reached were not followed by the necessary action; calls, accordingly, on the Commission to draw up a clear schedule of fast-track measures and, within its remit, to use its right of initiative, notably by drawing up guidelines, in order to coordinate and build on action by Member States and firms to ensure decent standards of living for EU citizens and to consolidate EU industries, focusing on economic and employment growth and market recovery;
- 3. Calls on the Commission to develop cross-cutting roadmaps that cover development in the energy sector, the transport sector and the ICT sector;
- 4. Believes that action by the Commission in this area is being hampered by various constraints and a lack of policy coordination mechanisms; calls on the Commission to submit a study showing the mismatch between what it wishes to achieve and the tools available to it, as the basis for a debate within the Council and Parliament;
- 5. Believes that the Commission should take into consideration the entire automotive sector, in particular subcontractors, retailers and aftermarket firms, in all future policy-making processes involving the sector;
- 6. Welcomes the industrial policy conclusions adopted by the Competitiveness Council at its meeting in December 2012; urges the Member States to pursue their stated aim of overhauling industrial policy in the automotive sector and firming up new arrangements for Europe-wide cooperation in that sector; points out that this closer cooperation on industrial policy for the automotive sector can take place either at Union level or on a voluntary basis among a number of countries;

7. Calls on the Member States to carry out properly coordinated and structural reforms geared to enhancing competitiveness, such as support for research and innovation, competence building, staff retraining, lowering indirect costs, enhancing labour flexibility based on social dialogue, cutting red tape and shortening payment periods;
8. Believes it essential, with a view to restoring faith in the EU, for the Union to improve the implementation of its action plan and the way the action plan is communicated to the general public, investors and firms;

Automotive industry and production in the EU

9. Considers it essential for cohesive and dynamic research, manufacturing, production and value, and innovation chains to be maintained and further developed in the EU with a focus on the production of sustainable vehicles; takes the view that keeping Europe competitive in the future will depend on creating a virtuous circle that benefits innovation, employment, competitiveness, health, the environment and mobility;
10. Points out that labour costs in the automotive industry account for between just 13 and 20 % of added value; points out, furthermore, that global competitiveness can only be guaranteed by means of innovation throughout the production chain and flexibility in production processes, and that this must accordingly be negotiated with the workers;
11. Stresses the importance of maintaining and strengthening the production base in Europe so as to ensure decent living standards for its citizens and consolidate its industries with a view to achieving economic growth and recovery;
12. Acknowledges the fact that the European market is in a state of decline and crisis, including in the automotive sector; considers it regrettable, however, that the Commission fails to analyse the fundamental causes of this decline such as the widely varying circumstances in the industry (firms, market segments and types, products, sectors) and the large number of structural changes (of a demographic, sociological, behavioural, economic and technical nature) that are taking place on the demand side; believes, therefore, that, alongside Europe-wide cross-cutting action, measures specifically tailored to individual circumstances need to be taken at both national and European level in order to stimulate demand;
13. Considers that new behavioural patterns of mobility are powerful levers for boosting the competitiveness of the European automotive sector, such as public and multimodal transport networks, traffic management, smart cities, car-sharing and joint ownership schemes;
14. Deplores the fact that the Commission fails to address the issue of over-capacity, despite the fact that it is a problem shared by the whole of the industry and one that has unavoidable short- and medium-term repercussions (chain, jobs, regional economy); calls therefore on the Commission to submit at the earliest opportunity:
 - a. a study on the scale of over-capacity in Europe and the best practice in addressing this problem, including outside the EU (United States);

- b. an action plan setting out all the policy tools available in this area, including in particular those involving research and innovation;
 - c. proposals for more active and coordinated support for workers and companies in the automotive sector to promote the reorientation of skills and jobs towards other sectors that are growing;
15. As regards restructuring:
- a. welcomes the Commission's intention to re-establish the task force to monitor major restructuring operations, as well as the publication of the Green Paper on effective restructuring practices (COM(2012)0007);
 - b. calls on firms and Member States to step up cooperation and efforts to anticipate industrial adjustments, in order to prevent negative externalities from undermining the cohesiveness of the industrial production process (jobs, production);
 - c. calls on the Commission and Member States to develop conversion plans in a coordinated fashion so as to support regions facing swingeing job losses in the automotive sector, and calls for integrated use to be made, in the process, of all European-level instruments (EIB, ESF and ERDF) and national instruments so as to assist the workers affected and redirect them towards alternative employment in related sectors, e.g. alternative energy, and for the available automotive technology to be optimised;
 - d. underscores also the central role and responsibility of firms and regional governments in conversion policy, in particular by improving worker training, but also by making available vacated sites for the socio-economic development and conversion of the regions concerned;
16. Draws the attention of both Member States and firms to the fact that clustering (joint purchasing, cooperation arrangements, consortiums, mergers) provides a means of remaining competitive in the face of increasingly fierce competition from outside the EU;
17. Calls on the Commission and the Member States to strengthen the specific measures to step up access to capital markets for SMEs and mid-cap companies, notably by setting up regional one-stop-shops; considers that SMEs and mid-cap companies, in particular subcontractors, distributors and retailers and aftermarket firms, are those which are being hit hardest by the crisis; points out, at the same time, that such companies are an asset because their size and responsiveness allow them to adjust to change, and that they have been the initiators of many technological advances; considers, therefore, that one avenue of development to be pursued is the diversification of SMEs' and mid-cap companies' commercial opportunities (through internationalisation and involvement in new projects);
18. Reiterates the importance of complying with the principle of technological neutrality in the choice of standards in order to protect the investments of first movers, thereby encouraging innovation in the sector;

Human resources

19. Believes the know-how built up by the workers in the automotive industry to be an asset for Europe; welcomes the setting-up of the European Automotive Skills Council in 2013, and trusts that it will swiftly identify effective policies in this area;
20. Welcomes the Commission's statement on shaping skills and developing competences as the basis for a durable competitive advantage;
21. Believes the labour market to be out of step with the industry's requirements (strong demand for skilled workers) at present; considers it essential in this connection to adapt not just public training strategies (promoting science, technology, engineering and mathematics courses and vocational training), but also firms' training strategies (in particular by extending dual-training systems) in order to enable firms to attract and hold on to highly qualified workers;
22. Calls on the Member States to make the legislative adjustments required for more open and constructive social dialogue and labour relations affecting the organisation of work (e.g. sectoral agreements, worker involvement); calls on the Member States to develop and follow best practices;
23. Recommends that Member States and firms should improve the provision of further training for workers, in order to anticipate tomorrow's needs and make it possible, in the event of job losses in a given sector, for the laid-off workers' skills to be put to good use in growth sectors;

Innovation and technology

24. Believes technological innovation to be the essential factor in automotive-sector competitiveness; calls for a technological-neutrality approach; reaffirms its determination to ensure that the Europe 2020 targets are met and that economical and sustainable means of transport and new production methods are developed;
25. Stresses that integrated innovation projects covering the whole value chain are crucial for improved competitiveness;
26. Takes the view that knowledge and innovation may form the basis for a durable competitive advantage for the European automotive industry when the pace at which innovative solutions are introduced precludes the possibility of their being imitated, and when the means used to protect innovation and to combat industrial espionage will ensure that it is possible to realise a return on investment without harming consumers; believes that the areas in which an innovative advantage will be realised on the European market centre upon environmental and safety considerations;
27. Asserts that there are two effective strategies for competitiveness in the European automotive industry: a cost leadership strategy and a differentiation strategy; feels that applying a combination of the two strategies would create difficulties and be less effective, as it would require a broader front on innovative research;
28. Notes that the European automotive industry has achieved numerous successes through the strategy of cost leadership, thanks to popular, low-cost models that circulate on the

European market (e.g. producers such as Škoda, Dacia and Nissan);

29. Welcomes the Commission's proposals regarding technological improvements, but points out that its projections for the creation of added value, commercial opportunities and jobs are subject to various conditions;
30. Considers it essential to foster research and development focusing on low-carbon and sustainable technologies, in which Europe has a lead, in order to reduce Europe's dependence on imported energy; points out that these include electric and hybrid vehicles, alternative fuels, mobile energy storage, and the roll-out of the necessary distribution networks and infrastructures, but regrets the fact that such technologies have not yet been brought onto the market; expects action to be taken with a view to:
 - gearing the technologies as closely as possible to the expectations of EU and international markets and ensuring they will be accepted by car buyers, and
 - taking into account all the environmental and social externalities linked to a vehicle's life-cycle, to how it is manufactured and to the clean-up effort it necessitates;
31. Takes the view that for the European automotive industry to be competitive, it has to become profitable by helping to develop industries that cooperate to supply cheap inputs from within Europe, such as: steel, castings, forgings, upholstery, tyres and electronic components;
32. Believes that EU efforts should be based on a differentiation strategy relying on a number of priorities geared towards consolidating Europe's technological advantage, including:
 - a. technological convergence, in particular as regards standards for the stages upstream of production and distribution;
 - b. the development of eco-innovations (vehicles that are lighter, more efficient, less polluting and more easily recyclable, key-enabling technologies, batteries and energy storage, driver aids, comfort, connected cars), safety (eCall) and accessibility (uses for drivers with a disability), setting European products apart from the others;
 - c. cooperation at EU and international level in areas that have been under-exploited to date, such as power-train technology;
 - d. strengthening Europe's leadership in international standard setting, thus ensuring that we can maintain a technological lead on world markets, taking into account the importance of international harmonisation for accessing new markets;
 - e. mechanisms, such as the procedure for measuring fuel consumption, becoming an important aspect of competitiveness for the global automotive industry on the European market, ensuring that European manufacturers are protected from unfair competition;
 - f. infrastructure roll-out for electric cars and alternative fuels;
33. Calls on the Member States and the Commission to foster the emergence of transnational

clusters, competitive hubs and public-private collaborative networks focusing on the mobility of the future and generating a steady stream of innovations (prototypes);

34. Points out that R&D requires substantial funding (scientific risk, long investment cycles) and deplores, in this connection, the fact that the target of channelling 3 % of GDP into R&D in the Union has yet to be met; considers that the cuts planned by the Member States to the budgets of the COSME and Horizon 2020 programmes will be damaging, in particular in the budget headings relating to transport;
35. Notes that the automobile sector is a source of substantial private investment in research and innovation; points out, however, that as long as the recession continues to affect the European market, EU funding such as Horizon 2020 and COSME may stimulate private investment in the sector; stresses the need to continue to pursue an ambitious approach to the funding of the green car initiative and SME development, which are clear priorities; points out that regional and local authorities, depending on their powers, have various tools for supporting the automotive industry in an active way;
36. Highlights the need for adequate financial resources to be provided under the Multiannual Financial Framework 2014–2020 for the restructuring of the sector and to upgrade and modernise its micro, small and medium-sized enterprises, to increase productivity and promote nationally-produced goods from the sector;

Regulation

37. Stresses the need for the principle of ‘smart regulation’, as a coherent approach with respect to legislation having an impact on the car industry, to be implemented at the earliest opportunity; points out that, although this was one of the recommendations of the first ‘CARS 21’ group (2005), no action has been taken in this area to date; stresses the vital importance of smart regulation to encourage investment in the automobile sector;
38. Takes the view that the Commission’s proposal to place a moratorium on all new legislation that could have an adverse impact on the economic situation in the industry is contributing to the achievement of long-term competitiveness and helping to provide adequate responses to environmental challenges;
39. Stresses the importance of reasonable lead-times to enable the industry to adapt production facilities and invest in the industrial system;
40. Calls for any policies and decisions already in place that could hamper the sustainable transformation of the automotive industry to be reviewed; calls on the Commission to launch an ex-post assessment on adopted legislation and on the lack or bad implementation of adopted legislation;
41. Calls on European manufacturers to uphold and reinforce current EU legislation on statutory guarantees;
42. Takes the view that commercial guarantees for European automotive products are too short-term and are incommensurate with their high levels of reliability, and that this puts them at a profound competitive disadvantage in relation to the commercial guarantees

- offered by third-country manufacturers (e.g. Japan and South Korea);
43. Considers it essential for technical regulations to be harmonised across the EU in order to guard against any artificial distortions of competition; stresses the need for harmonisation and improvement of test procedures that are currently resulting in significant discrepancies regarding consumption figures for certain manufacturers; asks the Commission to respond to the problem of consumers being misled by unrepresentative information on vehicles' fuel consumption and environmental performances; supports the planned development of a new, accurate driving test cycle and procedures to reflect real driving conditions, and calls for these to be introduced without delay;
 44. Encourages European enterprises involved in producing automotive products to step up their cooperation within the single market through European standardisation, certification, unification and disposal, and also through voluntary market segmentation;
 45. Believes that there is a need to improve EU road safety significantly by taking action on vehicles, infrastructure and driver behaviour; welcomes the Commission's eCall proposal relating to a system enabling vehicles to call emergency services automatically in the event of a serious accident;
 46. Calls on the Commission and the Member States to enhance the protection of intellectual property rights at international level and introduce a business confidentiality strategy at EU level, with a view to combating counterfeiting and industrial espionage; draws attention to the fact that technological development is a sensitive and vulnerable area;

Financial resources

47. Calls for the EU and the Member States to harmonise, optimise and bolster the use of the financial resources available to stimulate investment in sustainable mobility over and above public subsidies, by means of tax incentives for SMEs (tax credits for research, CO² emissions tax-and-rebate schemes, vehicle scrappage schemes) and both private funding instruments (risk capital funds, 'business angels') and public funding instruments (European Investment Bank);
48. Asks the Commission to make an in-depth country-comparative study of taxation applied to the automobile sector in the EU, in order to simplify and rationalise the current tax burden on production and on trade in motor vehicle-related services and reduce red tape;
49. Considers it essential for complementarity to be maintained between the funding available for restructuring and that available for R&D; calls, accordingly, for the funding allocated to the European Social Fund and the European Globalisation Adjustment Fund to be maintained at the current level;
50. Considers it vital for competition policy (state aid rules) to be geared to securing greater competitiveness, growth and employment, in line with the approach pursued by our competitors outside the EU;
51. Calls for a conditionality clause to be introduced, under which automotive firms in receipt of investment support for a given site would be required to keep their operations

at that site until the end of the depreciation period and to refund the EU subsidies should they decide to relocate;

Internal market

52. Points out that a robust internal market is a precondition for a return to competitiveness and sustainability in the automotive industry;
53. Considers closer European approximation essential in areas in which the prevailing conditions militate against a level playing field:
 - a. vis-à-vis non-EU competitors: high prices for energy and raw materials, strong euro exchange rate;
 - b. on the internal market: social and fiscal competition, tax breaks for firms and incentives for buyers (low-carbon incentives, vehicle scrappage schemes);
 - c. in the EU internal market: conditions relating to the recyclability of vehicles and the ecological recycling of used cars;
54. Stresses that suppliers in particular need to be strengthened, and that it is here that innovation potential (Car2car, car2infrastructure) and employment opportunities can be found;
55. Deplores the fact that, on the aftermarket, legal fragmentation is currently having an adverse effect on motorists and on fair and healthy competition between Member States; with a view to enhancing employment and the purchasing power of motorists and maintaining and developing European production lines and the aftermarket industry, calls for an approximation of legislation, particularly in the spare parts sector, and for information to be provided to motorists regarding their vehicle repair entitlements; calls on the Commission to accompany this with an in-depth and comparative study of the implications of legal fragmentation for the internal market, the European manufacturing sector and the purchasing power of motorists;
56. Calls for coordination at EU level to step up efforts to combat the import of counterfeit spare parts;
57. Notes the need for the Member States to ensure greater transparency and compliance with the principles of good faith in commercial relations between manufacturers and dealers; takes the view that the introduction of a code of conduct for manufacturers and dealers would be a reliable way of achieving this; considers that this code should at least include clauses relating to dealer relocation, multi-branding and compensation entitlement for unjustified termination of the contract by the manufacturer in line with the supplementary guidelines contained in Commission Notice 2010/C 138/05;
58. Calls on the Commission to take measures, in cooperation with the Member States, to ensure a high level of consumer protection, transparency and safety in the second-hand car market, and to work towards a gradual phasing-out of polluting and less safe vehicles; commends the Commission's recommendation in the roadworthiness testing regulation to

require mileage recording at each test; considers that initiatives such as the ‘Car Pass’ scheme in Belgium could be encouraged by a European Standard; notes that re-registration procedures for vehicle transfers must also discourage cross-border mileage fraud;

59. Draws attention once again to the economic benefits for Europe to be gained from the formation of major new industrial projects, along the lines of those in the aeronautics and space industry, in order to attain the critical mass required to face up to international competition; stresses that these projects may be organised at Union level or on a voluntary basis between Member States;
60. Underscores the importance of smart specialisation strategies to establish a framework for intra-EU competition in the same areas of activity to give way to complementary regional specialisations making the EU more competitive vis-à-vis third countries;
61. Draws the attention of:
 - a. Member States to the alternative means of encouraging demand that are available, such as labelling schemes, targeted release of funds from employee savings schemes, tax incentives for company purchases, recycling of materials, public procurement;
 - b. firms to the various marketing tools available, such as insurance, including loan reimbursement in case of unemployment, warranty extensions, vehicle sharing, internet sales;
62. Expresses its regret that the CARS 2020 action plan focuses primarily on European car manufacturers while ignoring the significance of the entire aftermarket sector, its actors and needs; feels that European automotive policy must be more expansive and be based on a holistic approach; asserts that the main objective should be to ensure a level playing field for all participants along the chain; takes the view, therefore, that European automotive industry policy ought also to incorporate provisions adapted for all of the actors – from major manufacturers to SMEs – in the distribution and repair chain.

External markets and trade relations

63. Points out that the automobile industry delivers a sizeable positive contribution to the EU’s trade balance, that exports to emerging markets are clearly a necessity in order to maximise our long-term success, and that alliances with non-EU funds and firms are of key importance to the future of our firms, as are locating plants in non-EU countries (including to produce cars for the local markets) as a means of generating growth, and importing vehicles to meet demand;
64. Welcomes the Commission’s announcement that a breakthrough has been reached in work on a free-trade zone with the USA and Japan and on equal access to global markets, which means that all participants in the global automotive market will have to adhere strictly to the same rules; takes the view that this increases the likelihood that sustainable development and improvements in road safety will become the basis for achieving competitive advantage throughout the world;

65. Acknowledges that a uniform international certification system which enables the inspection of vehicles and automotive parts across the single European market and which is based on EU environmental and safety standards could play a key role in eliminating unfair competition;
66. Recognises that demand in the emerging markets will grow not only in the luxury category but also in the lower segments, and that the European industry will be more competitive in these segments;
67. Points out that many of our automotive firms are becoming less competitive as a result of growing competition – some of it unfair – from non-EU firms; stresses that many of them have the potential to become successful if they are allowed to meet the growing demand on new export markets; urges the Commission to reorganise its trade policy, so as to be able to:
 - a. coordinate Member State measures for promoting EU firms and protecting EU products, investment and intellectual property rights outside the EU;
 - b. centralise all EU export instruments, in particular those geared to SMEs (Small Business, Big World), e.g. through the creation of a comprehensive, accessible and sectoral digital platform;
 - c. gradually make the principle of reciprocity – to which the Commission pays too little attention in CARS 2020 – a central tenet of our trade relations;
 - d. push for the dismantling of non-tariff barriers in the automotive sector;
 - e. shorten the time taken to instigate investigations and apply trade defence instruments;
68. Asks the Commission to extend its ex ante impact assessments on future trade agreements to the notion of competitiveness in the automobile sector, carry out fresh studies following their entry into force, and regularly assess the cumulative impact of agreements, both those currently in force and those subject to ongoing negotiations, based on specific and defined criteria, including the way in which stakeholders are involved;
69. Resolves to provide itself with the necessary means to gauge for itself the impact of each FTA;

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70. Instructs its President to forward this resolution to the Council, the Commission and the Member States.

EXPLANATORY STATEMENT

What does the automotive industry mean to Europe?

The automotive industry is a strategic asset for the EU, both in economic terms and in terms of the jobs it provides.

The Commission's CARS 2020 action plan quotes a number of figures that clearly establish the importance of this industry:

- 12 million direct and indirect jobs;
- 4% of EU GDP;
- trade surplus of EUR 90 billion;
- one quarter of world motor vehicle production.

To this must be added all of the benefits generated upstream and downstream of the production process, in connection with:

- R&D: 80% of private investment in R&D;
- innovation: technology transfer, new materials, electric batteries, fuel cells;
- know-how: management, production process expertise;
- positive externalities: insurance, tax revenue.

The automotive industry is a key component of our industrial economy, and is of great symbolic importance. It is a sector which is representative of the specific features and needs of European industry as a whole, and should therefore be treated as an urgent political priority.

Why is Parliament focusing on this issue?

Europe's automotive industry is in the throes of a crisis of unprecedented proportions. In 2012, only around 12 million vehicles were sold (as opposed to 17 million in 2007, just before the economic crisis) – the lowest sales figures since 1995. The figures for early 2013 indicate that sales have now fallen to a level similar to that in the early 1990s. The principal cause of this decline in sales is the sharp and lasting reduction in EU household purchasing power brought about by the economic crisis, as purchasing and maintaining a vehicle is the second largest household expenditure item, after housing.

The general public is concerned about the future of the industry, which is seen as a weather vane for the economy as a whole and is therefore currently the focus of intense media and public scrutiny. As the only directly elected EU institution, Parliament has a duty to address these concerns. Although this report will not have a binding effect and although the EU can do only a limited amount to address the crisis directly, the rapporteur believes that we have a duty to make this subject our own and to submit meaningful proposals to the EU institutions, the Member States and the firms operating in the industry.

The aim of the report must therefore be to turn public statements of intent into public action; to bring significant added value to the Commission's action plan. In view of the wide range of issues being addressed, the rapporteur has decided to give the report a clear, central focus, i.e. the industrial production process.

Is the action plan satisfactory?

The rapporteur welcomes the Commission's CARS 2020 action plan and all of the discussions held at interinstitutional level between industry stakeholders (initial establishment and subsequent reconvening of the CARS 21 High Level Group). The Commission has set in train a process geared to placing motor vehicle production back at the heart of economic development efforts. Whereas only a few years ago Europe decided to place the focus on services, EU leaders have now recognised the economic and social value of re-establishing a robust, sustainable manufacturing base. This is a brave policy choice, and one that we cannot but endorse. Re-establishing a proper manufacturing base will, among other things, make us less dependent on our competitors.

CARS 2020 is the first sector-specific approach formulated by the Commission since the adoption of the Lisbon Treaty. This is a good sign. It means that the Commission intends to make the automotive industry a priority. The action plan covers all of the policy areas which have a bearing on the automotive industry. However, although the rapporteur welcomes the Commission's stated intent to increase industry's share of EU GDP from the current 16% to 20% by 2020, he would point out that we must first make sure that we have the means to do so.

The rapporteur believes there to be a number of weaknesses and gaps in the action plan, in particular when set against the conclusions submitted by the CARS 21 High Level Group (June 2012). The action plan fails to address all of the issues and the arrangements put forward as less binding than might have been hoped.

The Commission in fact confines itself to making a general review of the situation in the automotive industry as a whole. However, a closer analysis shows that the economic crisis is not having a uniform impact throughout the industry and that properly targeted responses are therefore required for:

- the various firms (internal organisation, sales strategies, markets);
- the various market segments (high-end, mid-market, low-end) and products (cars and light commercial vehicles, heavy goods vehicles, two-wheelers);
- and the various sectors of the industry (supply, manufacturing, distribution and aftermarket).

The rapporteur considers it regrettable that the Commission has failed to take proper account of the many structural changes on the demand side that have played a key role in the decline of the European market, namely:

- demographic changes: urbanisation, population ageing;

- sociological and behavioural changes: collective mobility, restrictions on car use in urban areas, different usage patterns in different geographical areas, brand image;
- economic changes: lower average spend on vehicles, higher fuel prices, sharp increase in used-car sales;
- technical changes: significant increase in vehicle quality and service life.

What is more, the Commission makes no more than a passing reference to the issues of overcapacity (put at an average of 20%) and restructuring, without offering any solutions. For instance, it fails to point out that the manufacturing skills of automotive workers who have lost their jobs could be put to good use in other industries.

The Commission also fails to say anything about trade reciprocity.

The rapporteur also considers it unhelpful that a number of concepts have not been properly defined, despite the fact that this is of key importance to future action in this area. Those concepts are:

- EU firm: does this mean a firm that has its registered offices in Europe but its production plants elsewhere in the world, or a firm that has one or more plants in Europe but its registered offices elsewhere, or, again, a firm with registered offices in Europe and plants in Europe? This needs to be established, because the whole purpose of the action plan is to generate new growth and jobs in Europe. We can only do this by using all available means to assist European firms and, most important of all, by encouraging firms to base their operations in Europe. This means having a clear vision of what we are trying to achieve throughout the EU, and at present we do not have such a vision;
- value chain and production chain (admittedly, two different concepts), each of which needs to be safeguarded and developed. If the value chain is firmly anchored in the EU, we will be able to become or remain competitive in the product sectors in which we perform best (advanced-technology goods). Maintaining a cohesive production chain – i.e. one that extends both upstream and downstream of design and manufacturing operations – will avoid a situation in which the EU has a presence in only parts of the chain. However, an optimum balance needs to be struck, as the EU is going to become less and less competitive in some cost areas (e.g. energy and labour).

What contribution can Parliament make?

Issues addressed in CARS 2020

The debate around the action plan must be used as an opportunity to totally rethink our approach to mobility in the 21st century. The worst possible option is to leave things as they are. However, we need to be pragmatic about this and avoid putting forward solutions that are out of step with people's real expectations; we must not try to meet demand that is not yet there.

Tackling climate change must continue to be a guiding principle in all that we do. The EU has moved forward so swiftly in this area that we are now an example for the rest of the world. However, in the light of the current crisis, we also need to address an equally important and relevant priority, namely that of responding to much more immediate concerns that are uppermost in people's minds, which include the declining competitiveness of the EU economy, the general decline in purchasing power, job losses and the increasingly fierce competition from outside the EU. So the most important thing that this report needs to do is to address this loss of confidence across the EU.

This is why, at this juncture, the rapporteur has chosen to take over and flesh out the main ideas set out in CARS 2020, with a view to:

- placing the emphasis on technological development (which is the only competitive advantage that the Union can use to compete with the BRICS countries, and one that we need to nurture and develop) and on efforts to develop alternative energy sources, with due regard for their commercial viability;
- tailoring regulation to the objectives set;
- finding ways of identifying the skills that will be required in the future, so as to be able to prepare the work force for changes in demand and production methods;
- striking a better balance in relations within the production chain, in order to foster competition and help protect the firms that are the most exposed;
- optimising the financial resources available to us and, where necessary, devise new funding instruments;
- boosting the internal market, which is EU firms' main market;
- making trade relations fairer, so as to give our firms the best possible chance on emerging markets.

Political governance

The EU needs to draw up an urgent timetable for reform that sets out the relevant policy choices and is based on a genuine determination to lay down a clear industrial policy for Europe's automotive industry. The CARS 2020 action plan regrettably fails to do this.

The EU needs to be more responsive. The work carried out by the Commission, both within its administration and in the high level groups now needs to be translated into policy action. This could take the form of an ambitious programme for cooperation between the Member States and the Commission. The EU has a number of instruments it can use (internal market, international trade, environment, research and development). The rapporteur wishes this report to provide pointers on how those instruments might be better used and coordinated and on the in-depth reforms needed in order to bring those instruments into line with our objectives.

The rapporteur sees this report as providing an opportunity for a frank and open discussion of methods that have proved their worth, including in the United States; a chance to look closely at the instruments available to the EU, at the size of our automotive firms and at a situation in which those firms are locked in fierce competition with one another at a time when we are facing increasingly strong competition from non-EU firms, both on our own markets and on world markets. We need to take proper stock of this new international environment.

EU action is effective in a large number of areas. However, the EU really is not very good at 'marketing' itself. In other words, it has an extremely low profile. Europe also has a problem selling its technological know-how around the world (trade and standards). This is becoming a major problem, and if we fail to act, we will become increasingly dependent on standards that we have not developed ourselves. The rapporteur takes the view that something needs to be done about this now, in order to regain the trust of the general public, firms and investors.

The rapporteur has thus included in this report a section on political governance, which was not covered in CARS 2020, in order to draw attention to these issues.

23.9.2013

OPINION OF THE COMMITTEE ON INTERNATIONAL TRADE

for the Committee on Industry, Research and Energy

on CARS 2020: towards a strong, competitive and sustainable European car industry
(2013/2062(INI))

Rapporteur: Maria Badia i Cutchet

SUGGESTIONS

The Committee on International Trade calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

1. Stresses that the Union's automotive industry, which currently generates 12 million jobs directly or indirectly, is of strategic importance to the economy and employment in the EU, and points out that it delivers a sizeable positive contribution to the EU's trade balance, despite increased and sometimes unfair competition from third-country firms;
2. Recognises that the EU market for new cars is declining, although the demand for clean-powered (electric, hybrid, plug-in) vehicles is increasing; calls on the Commission to implement without delay a sustainable strategy to promote and enhance the automobile industry, in particular the CARS 2020 measures, so as to enable the industry to remain efficient and competitive and gain a foothold on new markets;
3. Points out that, according to the International Energy Agency, by 2050 nearly 60 % of new cars sold worldwide will be hybrid, plug-in or electric cars;
4. Stresses that European producers are being left behind in the market for clean-powered vehicles, but that national targets support further growth of this market;
5. Stresses the need for greater electrification of the transport sector in the coming decades, in line with other EU policies;
6. Recognises that demand in the emerging markets will grow not only in the luxury category but also in the lower segments, and that the European industry will be more competitive in these segments;

7. Believes firmly that this industry is an essential driver for technological innovation and an important multiplier of growth; considers that maintaining a high level of innovation is vital for the industry to keep its leading edge in sustainability and technology and to promote employment and support for companies, including SMEs, so as to enhance international competitiveness; considers that clean-car designs would reduce Europe's energy dependence on third countries; stresses that public transport networks, traffic mobility and the technical breakthroughs of smart cities such as hybrid and zero-emission vehicles are powerful levers for boosting the competitiveness of the European automotive sector; highlights the decisive role that public procurement can play in this regard, when used as a strategic tool for industrial policy; calls on the Commission and the Member States to step up their cooperation and efforts to consolidate Europe's leading position in international standard setting, thus ensuring that the EU can maintain a technological lead on world markets; stresses the vital importance of a clear-cut and stable legal and taxation framework to encourage investment in the automobile sector;
8. Stresses the need to invest in the design and manufacture of new products, creating innovative technologies designed for global consumers with a view to supporting the growth of the wider EU value chain,
9. Stresses that the environmental challenges ahead are important drivers for innovation; recalls that further technological progress needs to be made in order to improve the environmental efficiency of vehicles, while fostering the development and the market uptake of alternative-fuel vehicles, such as electric vehicles; recalls also that technical regulation aimed at further CO₂ emissions reduction needs to make further progress;
10. Endorses the consensus of the CARS 21 High Level Group that the Union's trade policy should enhance the EU's competitiveness on global markets through the international harmonisation of vehicle regulations and take full account of the importance of maintaining a strong, innovative and competitive automotive manufacturing base, and points out firmly that this should under no circumstances be at the expense of labour rights and social justice or standards;
11. Stresses the importance of multilateral and bilateral negotiations aimed at promoting reciprocity as regards market access and reducing and dismantling tariff and non-tariff barriers (NTBs), where these are not justified by concerns related to health or environmental protection; believes that the Union's trade agreements and bilateral regulatory cooperation should involve significant commitments on removing NTBs that affect the EU's automotive sector and should secure access to imported raw materials; stresses that the EU industrial property rights of European companies must be protected effectively and respected by all the Union's partner countries;
12. Calls on the Commission to continue its efforts with a view to global standardisation; considers that the EU's trade partners ought to accept UNECE's WP.29 standards and that new, universal solutions must be found for innovative technologies, such as a universal plug for electric cars.
13. Recognises the importance of speeding up the development of a proposal for a new regulation on the mutual recognition of international whole vehicle type approvals and spare parts for repair and maintenance, in order to reduce administrative burdens related to

the introduction of the same vehicle model in third country markets;

14. Stresses that international frameworks for cooperation on standards and technical regulations should remain the preferred option for seeking harmonisation thereof and that all bilateral initiatives should be developed with a view to their multilateralisation, which should also include emerging economies; believes, in this connection, that the EU should continue to improve its environmental requirements and to try and set the most advanced international standards on this basis;
15. Welcomes the initiative taken in the framework of the Transatlantic Economic Council to launch the work on a Global Technical Regulation on the safety and promotion of electric vehicles, and stresses the importance of attracting a broad membership including the EU's main trading partners;
16. Urges the Commission to ensure that all commitments in existing and future trade negotiations and agreements are effectively fulfilled; calls on the Commission to make use of Community Trade Defence Instruments in accordance with WTO rules and resort, if necessary, to the dispute-settlement mechanism in order to preserve the EU automobile industry and to fight back unfair trade practices against EU interests, such as special taxes on imported cars;
17. Considers that investment activity in growth markets must be strengthened and safeguarded by means of trade agreements;
18. Considers that EU standards regarding corporate social responsibility (CSR) and employee participation should also be implemented by European companies in third countries to which investment is being channelled, and that regional development should be promoted;
19. Asks the Commission to extend its ex ante impact assessments on future trade agreements to the notion of competitiveness in the automobile sector, carry out fresh studies following their entry into force, and regularly assess the cumulative impact of agreements, both those currently in force and those in ongoing negotiations, based on specific and defined criteria, including the way in which stakeholders are involved;
20. Urges the Commission to develop a strategic vision on its industrial policy as soon as possible, which would help those industrial sectors that are affected by structural overcapacities, such as the automotive sector, to anticipate trends by converting themselves into the sectors of the future, such as zero-CO₂-emission public transports.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	17.9.2013
Result of final vote	+: 25 -: 1 0: 4
Members present for the final vote	William (The Earl of) Dartmouth, Laima Liucija Andrikiienė, Maria Badia i Cutchet, María Auxiliadora Correa Zamora, Andrea Cozzolino, George Sabin Cutaş, Marielle de Sarnez, Yannick Jadot, Metin Kazak, Bernd Lange, David Martin, Vital Moreira, Paul Murphy, Cristiana Muscardini, Franck Proust, Godelieve Quisthoudt-Rowohl, Niccolò Rinaldi, Helmut Scholz, Peter Šťastný, Robert Sturdy, Henri Weber, Jan Zahradil
Substitute(s) present for the final vote	Amelia Andersdotter, Josefa Andrés Barea, Salvatore Iacolino, Elisabeth Köstinger, Emma McClarkin, Mario Pirillo, Jarosław Leszek Wałęsa
Substitute(s) under Rule 187(2) present for the final vote	Krzysztof Lisek

27.9.2013

OPINION OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS

for the Committee on Industry, Research and Energy

on CARS 2020: towards a strong, competitive and sustainable European car industry
(2013/2062(INI))

Rapporteur: Birgit Sippel

SUGGESTIONS

The Committee on Employment and Social Affairs calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- A. whereas dynamic, inclusive labour markets, in which people possess high, market-relevant skill levels, are essential to the competitiveness of the European economy and social cohesion;
- 1. Welcomes the Action Plan for the automotive industry and notes the strategic importance of the automotive industry to the European economy, which represents around 12 million direct and indirect jobs, delivers a sizeable positive contribution to the EU trade balance of some EUR 90 billion (in 2011), attracts the highest private spending on research and innovation (circa EUR 30 billion in 2010), and acts as an essential driver for technological innovation; stresses that an ambitious European industrial policy, with a strong emphasis on local employment and the development of green technologies, is a necessary lever for a job-intensive recovery and for boosting sustainable growth; stresses that the European car industry needs a renewal strategy directed towards more sustainable cars, as part of a greener transport system;
- 2. Points to the importance of standing out from the global marketplace in terms of quality and safety; considers it necessary, therefore, to invest in advanced technologies and to emphasise innovation;
- 3. Welcomes the Commission's 'eCall' proposal, which relates to a system enabling vehicles to call emergency services automatically in the event of a serious accident;
- 4. Maintains, with a view to fostering greater integration within the EU, that adaptations

enabling vehicles to be used by drivers with a disability should be improved in terms of their performance and accessibility;

5. Calls for the health and safety standards set out in the ‘Community Strategy on Health and Safety at Work 2007-2012’ to be improved so as to keep pace with changes in work and tasks of various types; to that end, calls on the Commission to submit a European health and safety strategy for 2020 as soon as possible;
6. Calls for enhanced efforts to be made to implement the EU 2020 objectives of smart, sustainable and inclusive growth by promoting a stronger European automotive industry; stresses in this context the importance of maintaining a strong automotive manufacturing base in Europe, including by exporting a larger portfolio of high-quality and sustainable-technology vehicles to third countries; points out that research, development and innovation are becoming increasingly important, especially as regards the need to develop low-emission, energy-efficient cars, in order to enable Europe to remain competitive and hence to boost employment by reducing Europe’s dependence on imported energy;
7. Recognises that electric vehicles have growth potential, not just as far as energy sustainability and climate action are concerned, but also because they can generate economic growth and employment; calls, therefore, for efforts to be brought to bear with a view to developing and improving vehicles of this type and encouraging their use in the EU; considers that, to this end, it will be necessary to set up refuelling or recharging facilities for vehicles that run on alternative fuels;
8. Welcomes the Commission’s proposed Horizon 2020 and COSME programmes, which will provide financial support that will enable businesses and SMEs to enhance their competitiveness as Europe moves towards an environment-friendly, resource-efficient transport system;
9. Welcomes the actions proposed in the fourth pillar of the Action Plan; underlines the need for long-term strategies permitting enterprises and employees to adapt to structural transformations, while anticipating change and minimising social impact; reiterates its call for a legal act on information and consultation of workers, and anticipation and management of restructuring; attaches particular importance to long-term planning for structural change designed to ensure a gradual transition if labour requirements change; stresses that skill levels should be such as to secure employment and allow a transition to new forms of production and business models where necessary;
10. In the context of better regulation, calls on the Commission to be more systematic in assessing the impact of its proposals on the ability of Europe’s automotive industries to remain competitive at an international level, and thus to provide many of the new jobs on which Europe relies; in this context, urges the Commission actively to discourage ‘gold-plating’ of EU law at national level;
11. Calls on the Member States to anticipate restructuring processes in order to save jobs, foster internal and external mobility and minimise possible adverse effects of those processes; calls on the Member States to enforce national law and existing EU directives effectively, including the Collective Redundancies Directive, the Transfer of Undertakings

Directive and the Information and Consultation Framework Directive, without infringing the subsidiarity principle; considers that EU funds should play a major role in averting, minimising or mitigating such adverse effects as might result from restructuring processes;

12. Takes the view that when restructuring is unavoidable, plant closures or downsizing should be considered only as a last resort; believes, accordingly, that in such cases information should be supplied to, and negotiations conducted with, stakeholders, including trade unions, workers' representatives and company representatives, with a view to reaching an agreement serving to ensure the company's viability while respecting the workers' rights;
13. Calls on the Member States to make full use of the European Globalisation Adjustment Fund (EGF) as a short-term measure in the event of plant closures and significant downsizing; reiterates its view that the design of EGF measures should be compatible with the shift towards a resource-efficient and environmentally sustainable economy;
14. Stresses the need to anticipate skills needs and to adapt the skill levels of workers, including through lifelong learning; supports the creation of a European Automotive Skills Council to promote relevant higher education and vocational training by bringing together industrial, employment and skill observatories, as well as relevant social partners and education and training providers' organisations, in order to promote exchange of best practice, skills development and employment in the automotive sector;
15. Stresses the importance of social dialogue for skills adaptation and restructuring processes and the need to follow best practice¹; recalls positive examples of the development of temporary, innovative instruments during the crisis, such as short-time work, which have helped to maintain previous employment levels;
16. Encourages the Member States to adopt National Job Plans in the context of the European Semester, taking into account the specific skills needs of the industrial sector in general and the automotive sector in particular;
17. Considers a skilled workforce to be vital if the European automotive sector is to be competitive and built on quality; believes, therefore, that education and training systems must be modernised with a view to upgrading the skills needed for the future through new curricula, ICT and partnerships with employers;
18. Calls for the European Social Fund to be used for the retraining and reskilling of workers and for improvements in lifelong learning, addressing skills needs, skills matching and anticipation of change, particularly in the automotive industry, taking into account the overcapacity in the European car industry and the need to shift towards a sustainable economy and green vehicles;
19. Stresses the need for even better use to be made of EURES as a tool complementary to

¹ 'Checklist for Restructuring Processes' in Commission Communication of 3 June 2009 'A shared commitment for employment', COM (2009)0287.

Member States' employment agencies and, in this context, supports the use of EURES not only as a means of advising workers, job-seekers and employers on the right to free movement, but also as a labour-market instrument with a special focus on placement in permanent full-time employment which enables workers to live their lives to the full, thereby enhancing the ability of European car manufacturers to access the skilled labour supply they need;

20. Points out the social and economic benefits of creating one-stop shops in order to facilitate the free movement of workers between Member States, for the benefit of workers and the automotive industry;
21. Takes the view that the development of environment-friendly new automotive technologies – to reduce greenhouse gas emissions, for example – could both guarantee the long-term economic success of the car industry and enable jobs to be secured on a lasting basis.
22. Stresses that social impact assessments and considerations should be mainstreamed in all industrial policies; emphasises that social insecurity has negative consequences for innovation and the productivity and creativity of the workforce and thus also for economic growth;
23. Notes that technological innovation and green growth are key competitiveness factors; stresses that public funding should foster innovation in the European industry, including in the car industry, for example through the EIB; underlines the fact that these measures should be made conditional upon their capacity to create ecological added value and sustainable, quality employment in the EU.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	26.9.2013
Result of final vote	+: 34 -: 3 0: 0
Members present for the final vote	Edit Bauer, Heinz K. Becker, Pervenche Berès, Vilija Blinkevičiūtė, Philippe Boulland, David Casa, Alejandro Cercas, Ole Christensen, Derek Roland Clark, Minodora Cliveti, Emer Costello, Frédéric Daerden, Sari Essayah, Richard Falbr, Marian Harkin, Danuta Jazłowiecka, Ádám Kósa, Jean Lambert, Verónica Lope Fontagné, Olle Ludvigsson, Thomas Mann, Csaba Óry, Sylvana Rapti, Licia Ronzulli, Elisabeth Schroedter, Joanna Katarzyna Skrzydlewska, Jutta Steinruck, Ruža Tomašić, Traian Ungureanu
Substitute(s) present for the final vote	Françoise Castex, Philippe De Backer, Anthea McIntyre, Ria Oomen-Ruijten, Evelyn Regner, Birgit Sippel, Csaba Sógor, Tatjana Ždanoka

10.9.2013

OPINION OF THE COMMITTEE ON THE INTERNAL MARKET AND CONSUMER PROTECTION

for the Committee on Industry, Research and Energy

on CARS 2020: towards a strong, competitive and sustainable European car industry (2013/2062(INI))

Rapporteur: Sergio Gaetano Cofferati

SUGGESTIONS

The Committee on the Internal Market and Consumer Protection calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions in its motion for a resolution:

- having regard to Parliament's resolution of 3 July 2012 on eCall: a new 112 service for citizens¹,
- 1. Stresses that a European action plan for the automotive industry must follow a holistic approach, complementing regulation with infrastructure investments and actions to boost demand and enhance human capital, promoting a highly skilled workforce; believes, in this context, that investments to boost the development of advanced technologies, including measures to improve road safety, tackle CO₂ and reduce pollutant and noise emissions, are vital to sustain competitiveness, growth and the creation of added value and jobs in the automotive sector; believes that, in order to ensure the competitiveness of the European automotive industries, this action plan should be coordinated with other interconnected EU policies;
- 2. Emphasises that the EU internal market is the most important factor in terms of ensuring a healthy future for the automotive industry: firstly, as a market for vehicles, it sets common technical standards, on behalf of 500 million consumers, on environmental performance, road safety, product safety and noise emissions, and these are valid and important for other industries beyond its borders; secondly, it is home to public and private research establishments offering cutting-edge research and thus helping to give the automotive industry a promising future;

¹ Texts adopted, P7_TA(2012)0274.

3. Underlines that ambitious investment at European level should be put in place to support the proposed strategy, including through the EU Framework Program for Research and Innovation – Horizon 2020 – and the European Social Fund; calls for easier access to Horizon 2020 funds and stresses the importance of investing in research and innovation in order to remain competitive on the global market in all areas of the automotive sector, namely in road safety, quality customer service, environmentally-friendly mobility, advanced technologies and high added value products; encourages, in addition, the use of funds from the European Investment Bank in order to finance such projects;
4. Calls for a legislative framework regulating the automotive sector that is flexible enough to react rapidly on and cover all new technological developments and innovations that underpin the competitiveness of the automotive industry;
5. Underscores the fact that the EU internal market should help advance not only the manufacture and sale of vehicle products but also the recyclability of vehicles and vehicle parts and the raw materials used in them; asks the Commission to develop a European framework for the ecological recycling of used cars;
6. Emphasises that the production and finishing of vehicles as an industrial product are at the end of a value chain of European supplier industries, including small and medium-sized component suppliers, and that these upstream industries play an important role in the development of the automotive industry and are confronted by the same European-level and global challenges; points out that the European automotive suppliers, including SMEs, are often key innovators, thereby stimulating the development of European vehicles of the future, and also create an important market for spare parts; regrets the difficulties experienced by some SMEs in the supply sector in making use of Union programmes and funding, and calls for easier access, also through the Competitiveness of Enterprises and SMEs (COSME) programme;
7. Believes that the spare parts market merits as much attention as the finished vehicles market; stresses that it should be treated on an equal footing, in particular with regard to the pooling and managing of product information; notes that the creation of a common market for tuning and spare parts is rendered very difficult by diverging national regulations; urges, therefore, the Commission to bring forward proposals for harmonising and further developing this sector and to widen European standards based on the production of certified spare parts and components approved within the EU;
8. Stresses that particular consideration should be given to vehicles of historical interest and to the businesses and employees who work on them, seeing that, with the steady rise in the number of historic vehicles, their maintenance, use and conservation are important not only in terms of culture and tourism but also for the economy; emphasises, however, that there should be a restrictive definition of historic vehicles so that, as their numbers continue to grow, the potential negative safety and environmental implications related to historic vehicles that do not meet new-vehicle standards should remain limited;
9. Welcomes the proposal for strengthening the market for alternative fuel and electric vehicles, but notes that the development of electro-mobility in Europe is proceeding at a sluggish pace; urges that priority is given to the development of appropriate infrastructures through adequate investments at European and national level, including

adequate funding to the Connecting Europe Facility instrument, and through common standards for alternative fuels and propulsion systems; calls on the Commission to make corresponding legislative proposals where necessary, and asks for the swift adoption of the legislative proposal and of a common standard on the recharging interface for electric vehicles; emphasises the importance of maintaining a positive attitude towards other innovative solutions for powering electric vehicles, such as the fuel-cell technology;

10. Welcomes the proposal to develop a fuel labelling scheme, providing consumers with easy-to-understand information on the compatibility between their vehicles and the fuels on offer;
11. Believes that the development of the European automotive industry should retain a significant export component but should also focus on boosting domestic demand, through public and private investments, through fair competition and by improving European citizens' purchasing power; emphasises that it is necessary for the European automotive industry to deliver quality products, and to have a position of technological leadership, through innovation in order to be attractive to EU citizens and ensure the sector's long-term competitiveness;
12. Calls for stronger coordination of demand-side measures on vehicles and fuels, including financial incentives and taxation policy, comprising direct financial support and taxation incentives, including the use of graduated tax schemes; asks the Commission to follow the guidelines on financial incentives with more binding actions with a view to ensuring a proper level playing field and contributing to the competitiveness of the industry across the EU; considers that demand-side measures, but also measures relating to day-to-day costs and conditions, should steer consumers towards safer and greener vehicles;
13. Recalls that different kinds of measures to facilitate the purchasing of new and fuel-efficient, low emission vehicles exist in various Member States; encourages the exchange of such good practices; calls on the Member States to consider innovative tax policies in order to foster EU citizens to purchase new and environmentally friendly cars;
14. Recognises the need to tackle structural overcapacity in the automotive sector in the EU in a coordinated manner, in order to ensure long-term competitiveness; stresses that each vehicle manufacturer is responsible for finding adequate solutions when facing challenges, but recognises, at the same time, the importance of effective public intervention to ensure that the negative social consequences of any restructuring in the sector are kept to a minimum; attaches particular importance to long-term planning for structural change so as to ensure that, if labour requirements change, the level of skills will be such as to secure employment, and that the transition to new forms of production and business models will be gradual; believes that a European framework for anticipating change and softening the social impact of restructuring, including a legislative act, is necessary, also in order to avoid any distortions to the internal market;
15. Welcomes the existence of the Globalisation Adjustment Fund and the European Social Fund and calls for their optimal and targeted use in cases of restructuring in the automotive sector, notably for the re-training, re-skilling and re-locating of affected workers and for assisting concerned regions;

16. Calls on the Commission to take measures, in cooperation with the Member States, to ensure as well a high level of consumer protection, transparency and safety in the second-hand car market, and to work towards a gradual phasing out of polluting and less safe vehicles; commends its recommendation in the roadworthiness testing regulation to require mileage recording at each test; considers that initiatives such as the 'Car Pass' scheme in Belgium could be encouraged by a European Standard; notes that re-registration procedures for vehicle transfers must also discourage cross border mileage fraud;
17. Asks the Commission to respond to the problem of misleading consumers through unrepresentative information on vehicle fuel consumption and environmental performance; supports the planned development of a new driving test-cycle and procedures, and calls for these to be introduced without delay;
18. Points to the need for a constructive, transparent and respectful relationship to be maintained between the various stakeholders in the motor vehicle industry, in particular between manufacturers and their dealers, and for imbalances in favour of the stronger party in the relationship, which could have an adverse effect on consumers as well, to be avoided;
19. Recalls that regional and local authorities, depending on their competences, have various tools for supporting the automotive industry in an active way, notably in the area of promoting electric cars through parking space management and the provision of administrative support for investment in alternative fuels infrastructures; encourages such practices to be exchanged at European level and coordinated effectively; calls for EU funds to be used in targeted and optimised way, in accordance with the specific development requirements of the region concerned;
20. Requires the Commission and the Member States to put more efforts in road safety, bringing forward actions on vehicles, infrastructures and driver behaviour sides; recalls, in this context, its resolution of 3 July 2013 calling for a swift adoption of the eCall system and containing precise requests regarding data protection, clarity on the responsibilities of the several actors involved, technological neutrality, transparency for the consumers; recalls, furthermore, its demand for the eCall system to be based on an interoperable and open-access platform for possible future in-vehicle optional applications or services compliant with safety, security and data protection privacy standards, allowing open choice for customers and open access for service providers;
21. Insists that current safety standards, particularly for L-class vehicles, be tightened, and that the safety requirements and under-run protective systems for lorries be improved;
22. Confirms its support for a review of the type approval framework, and looks forward to collaborating with the Commission and encouraging stakeholder dialogue during this process;
23. Welcomes the Commission's intention to carry out proportionality tests on the implementing measures proposed for existing legislative requirements; notes that its concerns over the anti-tampering and evaporative emissions requirements on L-category vehicles have been explicitly recognised;

24. Urges the Commission to do better in its role as a ‘smart’ and farsighted initiator of legislation, so as to offer the industry long-term security, thereby keeping it competitive and, as a direct result, affording consumers a greater level of transparency in relation to new vehicle products; stresses that the process of setting new and common standards for the automotive industry must in future become more amenable to planning and better coordinated, and that it must take account of product cycles;
25. Underlines the importance of international regulatory harmonisation in underpinning the global competitiveness of the European car industry; supports the reform of the 1958 United Nations Economic Commission for Europe (UNECE) agreement and the development of a system for international whole vehicle type approval (IWVTA); calls on the Commission to engage with Parliament more fully to ensure political support from global partners to raise the profile of these crucial projects;
26. Deplores the decision of the Conference of Presidents to bar the engagement of MEPs in the CARS 2020 discussions; notes that many other representative organisations and Member State politicians are involved; demands that the Conference of Presidents review this decision in the light of the important proposals on the future of the car industry being developed in the CARS 2020 framework; notes that, as any legislation evolving from CARS 2020 will be closely examined and approved by the Parliament, participating in policy groups does not undermine Parliament’s independence.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	5.9.2013
Result of final vote	+: 26 -: 1 0: 1
Members present for the final vote	Claudette Abela Baldacchino, Adam Bielan, Preslav Borissov, Birgit Collin-Langen, Lara Comi, Cornelis de Jong, Małgorzata Handzlik, Malcolm Harbour, Philippe Juvin, Hans-Peter Mayer, Franz Obermayr, Sirpa Pietikäinen, Phil Prendergast, Zuzana Roithová, Heide Rühle, Andreas Schwab, Catherine Stihler, Emilie Turunen, Barbara Weiler
Substitute(s) present for the final vote	Ildikó Gáll-Pelcz, Liem Hoang Ngoc, María Irigoyen Pérez, Pier Antonio Panzeri, Olle Schmidt, Olga Sehnalová, Marc Tarabella, Wim van de Camp, Patricia van der Kammen

18.10.2013

OPINION OF THE COMMITTEE ON TRANSPORT AND TOURISM

for the Committee on Industry, Research and Energy

on CARS 2020: towards a strong, competitive and sustainable European car industry

(2013/2062(INI))

Rapporteur: Oldřich Vlasák

SUGGESTIONS

The Committee on Transport and Tourism calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Welcomes the CARS 2020 Action Plan for a competitive and sustainable automotive industry and supports its four pillars;
2. Stresses the importance of maintaining and strengthening the production base in Europe so as to ensure decent standards of living for its citizens and to consolidate its industries with a view to achieving economic growth and recovery;
3. In the light of the latest data on sales volumes, calls on the Commission to adopt a more coherent approach with respect to legislation having an impact on the car industry, from innovation and research, market recovery and employment growth to safety and environmental standards;
4. In the light of the latest data on sales volumes provided by the Commission – according to which the market has been undergoing a triple downward dip and which highlights that EU sales in light vehicles fell from nearly 17 million to less than 12 million between December 2006 and December 2012 – calls on the Commission to review its broad-based, and partly contradictory goals, in order to focus primarily on market recovery and employment growth;
5. Takes the view that the rules on competition and state aid should not result in a lack of competitiveness for the European automobile sector; calls on the Commission to evaluate the plans for restructure, aid and closer relations between manufacturers in the sector by comparing these plans with those put forward by third countries, in order to kick-start an

upturn in growth and employment in this sector in Europe;

6. Supports the development and modernisation of sustainable and efficient transport infrastructure, as this might stimulate the market and contribute to increased road safety as well as economic and employment growth;
7. Stresses the importance of an ambitious research and innovation framework focusing on EU competitiveness at a global level encouraging, for example, the deployment of connected car or telematics applications;
8. Believes in the necessity to improve significantly safety on EU roads; appreciates, in this connection, the prioritisation of in-car technologies which support driving behaviour and the enforcement of road rules, such as intelligent speed-management devices;
9. Welcomes the Commission's strategy for the deployment of alternative fuels, charging and refuelling infrastructure for clean vehicles;
10. Stresses the aim of reinforcing the competitiveness and performance of European automobile manufacturers, in particular regarding the increasing need for innovative solutions in the sector; emphasises also that in the context of global competitiveness, investment in research and innovation will contribute to growth and the creation of highly-skilled jobs in the European automobile sector;
11. Maintains that the automobile industry should be one of the main drivers of competitiveness and economic growth in Europe and reiterates that it is one of the EU's key industrial strengths, playing a central role in a number of global markets;
12. Reiterates the importance of complying with the principle of technological neutrality in the choice of standards in order to protect the investments of first movers, thereby encouraging innovation in the sector;
13. Reiterates that research and innovation in the automobile sector must allow major technological advances which will help to enhance the EU's economic competitiveness and maintain its leading position in the global market, and that this will make a decisive contribution to the objectives of smart, sustainable and inclusive growth, as set out in the Europe 2020 Strategy;
14. Reiterates that automobile sector employees are the first to suffer in times of crisis; underlines the need to increase their further training in anticipation of developments in the sector and, where appropriate, to reinvest their skills and knowledge in other sectors;
15. Points out that binding emissions targets should not be set before 2017, since the impact assessment has not yet been fully evaluated; calls on the Commission to abandon legislating on how to meet emissions targets and other partial goals, so as not to limit the diversity of products or private research activity; calls, therefore, for the coordination of a review of Directive 96/53/EC on the maximum authorised weights and dimensions of road vehicles with relevant parties, including representatives of automobile manufacturers;
16. Emphasises that basic research is needed in relation to the development of technologies

for mobile energy storage as well as on new options for generating biofuels;

17. Stresses that there is huge potential for the further improvement of eco-efficiency supported by information and communication technologies;
18. Proposes, first of all, to extend European Investment Bank (EIB) tools to the development of alternative-fuels infrastructure and production restructure; proposes, secondly, to focus on investment in alternative propulsion technologies and in a comprehensive infrastructure for electric and gas vehicle refuelling; proposes, thirdly, to establish common technical standards in the electric car market and to work towards the global harmonisation of technical standards for charging infrastructure for electric vehicles;
19. Proposes to extend EIB tools to the development of a more sustainable and competitive European car industry and to the deployment of an alternative-fuels infrastructure;
20. Emphasises the need to strengthen the role and missions of the EIB in financing new industrial projects, in particular those concerned with major transport and alternative-fuels infrastructure;
21. Points out that, according to the Science and Technology Options Assessment (STOA) study entitled 'Eco-efficient transport', the creation of an eco-efficient transport system is being hampered by a number of non-technical barriers relating to financing, planning and implementation, as well as the high costs of alternative propulsion technologies;
22. Calls on the Commission to ensure that progress on implementation of the action plan is overseen by the high level group and, in particular, to ensure that effective use is made of all budgetary instruments available at EU level which are aimed at re-launching the automotive sector;
23. Calls on the Commission to devise, without delay, a clear and concrete roadmap for a fixed timeframe for the implementation of the action plan, with the inclusion of the following being advisable in such a roadmap:
 - the immediate launch of an ex-ante impact assessment on proposed legislation as well as an ex-post assessment on adopted legislation and on the lack or bad implementation of adopted legislation, so as to ensure fair competitiveness proofing, including the legislation on CO₂ and noise emissions;
 - a study on the cumulative impact of relevant EU legislation on the automotive industry and the price of an average car, as the proposed measures might result in a price increase of several thousand euros for the customer. This study should also take into account the reduction of CO₂ emissions and noise pollution, as well as the reduction of costs for an average driver of a vehicle making use of increased fuel efficiency;
 - the immediate establishment of a CARS 2020 High Level Group to act as an advisory body with an active role in implementing the action plan;
24. Emphasises supportive measures which have been put in place by several Member States,

such as expedited tax or VAT deductions by companies, as well as green cars;

25. Calls on the Commission to take into account the European framework for managing restructure in a socially responsible way, as demanded by Parliament in its resolution of January 15 2013 with recommendations to the Commission on information and consultation of workers, anticipation and management of restructuring¹, increasing anticipation of change and the social dialogue, informing and consulting employees throughout the process;
26. Ascertains that support of company schools – especially in the case of apprenticeships – might contribute to the skilled human capital needed;
27. Reminds the Commission that adequate funding should be allocated to this action plan for the automotive sector in support of its research and innovation activities and the creation of new quality jobs.

¹ Texts adopted, P7_TA(2013)0005.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	17.9.2013
Result of final vote	+: 24 -: 5 0: 13
Members present for the final vote	Magdi Cristiano Allam, Georges Bach, Erik Bánki, Izaskun Bilbao Barandica, Philip Bradbourn, Michael Cramer, Joseph Cuschieri, Philippe De Backer, Luis de Grandes Pascual, Christine De Veyrac, Saïd El Khadraoui, Ismail Ertug, Carlo Fidanza, Knut Fleckenstein, Jacqueline Foster, Franco Frigo, Mathieu Grosch, Jim Higgins, Juozas Imbrasas, Dieter-Lebrecht Koch, Jörg Leichtfried, Bogusław Liberadzki, Eva Lichtenberger, Marian-Jean Marinescu, Hubert Pirker, Dominique Riquet, Petri Sarvamaa, David-Maria Sassoli, Vilja Savisaar-Toomast, Olga Sehnalová, Brian Simpson, Keith Taylor, Giommara Uggias, Patricia van der Kammen, Dominique Vlasto, Artur Zasada, Roberts Zile
Substitute(s) present for the final vote	Spyros Danellis, Markus Ferber, Eider Gardiazábal Rubial, Nathalie Griesbeck, Geoffrey Van Orden

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	5.11.2013
Result of final vote	+: 37 -: 5 0: 4
Members present for the final vote	Josefa Andrés Barea, Jean-Pierre Audy, Ivo Belet, Bendt Bendtsen, Fabrizio Bertot, Jan Březina, Maria Da Graça Carvalho, Giles Chichester, Pilar del Castillo Vera, Christian Ehler, Vicky Ford, Adam Gierek, Norbert Glante, Fiona Hall, Jacky Hénin, Edit Herczog, Kent Johansson, Romana Jordan, Krišjānis Kariņš, Lena Kolarska-Bobińska, Bogdan Kazimierz Marcinkiewicz, Jaroslav Paška, Aldo Patriciello, Vittorio Prodi, Miloslav Ransdorf, Jens Rohde, Paul Rübig, Amalia Sartori, Salvador Sedó i Alabart, Francisco Sosa Wagner, Konrad Szymański, Britta Thomsen, Evžen Tošenovský, Catherine Trautmann, Claude Turmes, Vladimir Urutchev
Substitute(s) present for the final vote	Jerzy Buzek, Ioan Enciu, Andrzej Grzyb, Roger Helmer, Seán Kelly, Bernd Lange, Zofija Mazej Kukovič, Franck Proust, Algirdas Saudargas
Substitute(s) under Rule 187(2) present for the final vote	Nikos Chrysogelos