Question for written answer E-000221/2022 to the Commission Rule 138 Mathilde Androuët (ID)

Subject: America's push for electric vehicle purchases using subsidies: how will Europe retaliate?

Joe Biden has announced his intention to introduce a significant amount of cumulative protectionist subsidies for electric vehicle purchases. However, these would apply only if the car and the battery are both manufactured in the United States by unionised employees and brands that are historically 100% American. This resembles the situation in China, where, since 2015, subsidies are available only for purchases of electric vehicles equipped with Chinese batteries.

In Europe, however, owing to the ban on discriminating against a product according to its country of origin, subsidies for electric vehicle purchases are not reserved to European manufacturers. In response to the US President's statement, the Canadian Government announced its intention to impose tariffs on certain American products, if the legislation is passed. The Commission had already raised its concerns with US senators back in October, citing unjustified discrimination against EU car and car component manufacturers. Given that the Tesla 3 has been the best-selling electric car in Europe for several months now, with buyers taking advantage of European subsidies for purchasing this American vehicle – which is manufactured in China – how exactly does the Commission intend to deal with this bold American offensive?