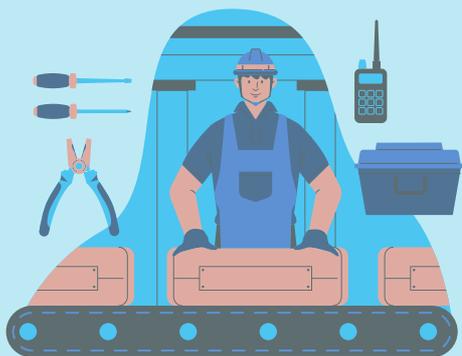


THE NEED FOR A JUST TRANSITION FUND FOR THE AUTOMOTIVE SECTOR



THE SITUATION

The automotive sector is a major employer facing the largest technological and skills transition it has ever known; ICE-vehicles to zero emission battery electric vehicles. 2020 marked a crucial shift that will continue to accelerate: if last year 4/5 of passenger vehicles produced in Europe were solely ICE-powered, this share will drop below 5% in 2030. By then around 60% of cars produced will be pure EVs and 36% hybrid EVs. This underlines the scale of the transformation facing Europe's largest industry.

OUR CONCERNS

By 2030, 2.8 million workers will need to be hired and the job profile of 2.4 million positions will change, with different degrees of training needs to prepare them for future job demands*. By 2030, 42% of all employees in the core automotive and adjacent industries will have dedicated training needs. Specifically, 1.6 million will require retraining, while remaining in their current position; another 0.6 million will need requalification while remaining in the same industry and; 0.2 million people will need support to requalify for work in other industries outside the automotive ecosystem. This calls for the need of a just transition fund for the automotive sector, which could undermine political support for the transition to emobility as the industry transitions.

OUR SOLUTIONS

The European Commission with all the stakeholders should design a just transition framework for the automotive ecosystem in Europe, including:



Mapping of employment impacts at regional and national levels to ensure effective skills intelligence



Policy support and exchanges of best practices



Transition planning and social dialogue



Adequate resources: pooling resources for active labour market policies, including retraining and upskilling, as well as economic diversification, in a dedicated fund for the mobility ecosystem

