

## **Targeted Consultation**

### **Association des Constructeurs Européens d'Automobiles (ACEA) – Summary**

**3 December 2020**

ACEA presented recent developments in the sector of electric busses, from vehicles originated from third countries.

ACEA referred to the overall system with subsidies for manufacturers to produce buses and operating subsidies for operators, via also discounts on the purchase of electricity. Installation and operation of electric charging infrastructure may also be provided by third country governments.

Another noticeable trend is the growth of the e-buses export from third countries to the EU since 2016. Production of buses is labour-intensive, at least 1.000 hours of work are needed to manufacture one bus, the shift to third countries has an impact on jobs in EU.

Third countries may benefit from economies of scale due to huge domestic markets and production capacity much bigger than the EU. ACEA expressed concerns that with the large numbers of e-buses forecasted in the EU, but limited content requirements, the situation will not improve and e-buses might risk replicating the collapse of the EU photovoltaic sector.

Most territories in the USA, Latin America and China all have a local content requirement for accessing publicly funded markets. By contrast, in the EU, public funding can go to subsidised third country manufacturers. There is also a market access imbalance.

ACEA described the French e-bus scheme MOEBUS. In France, a company could be eligible for support from the government if at least 60% of the materials used to manufacture the bus are materials from within the EU.

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