



2nd Automotive Regions Alliance Annual Conference, 9 November 2023 in Pamplona

"Navarre Declaration" of the Automotive Regions Alliance

At the second political conference of the Automotive Regions Alliance (ARA) that took place on 9 November 2023 at the invitation of the President of the Government of Navarre and the European Committee of the Regions in Pamplona, the participating regions confirmed their commitment to the positions expressed in the founding declaration of the ARA¹ as well as the Leipzig Declaration² and engaged to further advocate for the following objectives:

The Automotive Regions Alliance

1. underlines that the transformation of the automotive and supply industry and the automotive service sector in Europe are part of a broader industrial transformation that touches upon various aspects, including industrial policy, employment, social affairs and environmental protection, and therefore will have a profound effect on automotive regions;
2. acknowledges that the European legislative term ending in 2024 is characterised by intensive legislation for the achievement of European goals that are welcomed but challenging for the automotive regions, including supply industry regions. Calls therefore upon the next European Commission to address the just transition of all regions through the appointment of a European Commissioner with key responsibility for all industrial transition pathways with impact on regional economies;
3. advocates for the establishment of a European mechanism within the next MFF supporting a just and fair transition of the automotive and supply industry regions in order to minimise the disruptive effects and to maintain the industry's global competitiveness;

¹ adopted at the 150th plenary session of the CoR on 30 June 2023 <https://cor.europa.eu/en/engage/Pages/Automotive-Regions-Alliance.aspx#0>

² <https://cor.europa.eu/en/engage/Documents/Leipzig%20Declaration/Leipzig%20Declaration%20EN.pdf>

4. stresses the importance of linking the just transition to the future of European Cohesion policy and welcomes the important work done by the "high-level group of specialists on the future of Cohesion Policy" established by the European Commission. EU Policies and specifically Cohesion policy must focus on industrial transition processes in all regions, including highly innovative and economically strong regions for the benefit of the whole European Union;
5. underlines that many other industrial sectors have to implement transition pathways to remain consistent with the Green Deal legislation and calls therefore on the European Commission to verify whether the scope of the Just Transition Fund (JTF) allocation needs to be revised to include other activities in transition, such as those related to the transformation of the automotive industry; recalls that additional priority areas should lead to additional funding;
6. underlines that the expertise of regions and the local level must be taken into account when programming EU funding to support the just transition and reiterate the need to involve the regions in the implementation of relevant EU legislations like the Battery Regulation, European Chips Act and Critical Raw Materials Acts; the knowledge about the specific needs for transition planning exists above all in the automotive regions;
7. calls upon the European Commission to undertake a detailed territorial impact assessment in the light of its obligation under the Regulation on CO₂ emission standards for cars and vans to prepare a report on the needs, challenges and funding gaps for a just transition of the automotive and supply industry in Europe by the end of 2025 and welcomes the inclusion of the Automotive Regions Alliance in the final legal text of the Regulation;
8. calls for the implementation of the alliance's proposal to add a sixth Key Performance Indicator (KPI) on the regional impact to the agenda of the European Commission's own initiative "Route 35 Platform";
9. recalls the need to reduce the cost of energy which is a burden for both industry and consumers;
10. underlines the relevant role of digitalisation in this transition, that can make use also of the high-performance computers and digital infrastructures financed by the EU;
11. recalls that all stakeholders (public, private, social partners, research and educational institutions) must work towards a European leadership in research and technology neutral innovation in the automotive and digital sectors and propose to regularly promote thematic working groups among regions, research centres, universities, enterprise representations and trade unions at EU and international level;

12. considers it essential to allocate resources and public effort to training and retraining, both to provide profiles suited to the new needs of industry and to retrain workers who are already employed in industry but need to adapt and accredit their training, skills and knowledge to the new production models linked to the digital and sustainable transformations. Trade relations with third countries should also be reviewed in order to ensure the competitiveness of our industry on a level playing field.
 13. underlines that European Regulations must take into consideration the impact on the regional economy of the measures aimed at maintaining and strengthening the competitiveness of the entire European automotive industry chain and advocates taking into account the various technological solutions (e.g. electrification, hydrogen technologies and alternative fuels) which can also play an important role in the decarbonisation process;
 14. welcomes the European Parliament's own-initiative report *Reshaping the future framework of EU structural funds to support regions particularly affected by challenges related to the automotive, green and digital transitions*, which further underlines the important role structural funds are playing in this transition;
 15. intends to maintain and deepen the cooperation with the Automotive Skills Alliance (ASA) and the Automotive Intergroup (CoRAI). A working agreement between ARA, ASA and CoRAI will help to foster and reach the political goals of all three regional initiatives;
 16. points out that the CoR Intergroup on the "Future of the Automotive Industry" (CoRAI) and the ARA are working hand in hand to support the regional transformation and that the CoRAI explicitly supports this declaration.
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