JOINT POSITION BY TÜRKIYE'S
LARGEST AUTOMOTIVE ASSOCIATIONS



TOGETHER FOR A MORE RESILIENT AUTOMOTIVE INDUSTRY

THE EUROPEAN AUTOMOTIVE INDUSTRY IS STRONGER WHEN INTEGRATED WITH CLOSE PARTNERS

The EU and Türkiye have established a balanced, predictable and mutually beneficial automotive value chain. Recognising vehicles and parts manufactured and assembled in Türkiye within the "Union Origin" framework strengthens both sides.

JOINT DECLARATION BY TÜRKİYE'S MAIN AUTOMOTIVE ASSOCIATIONS

A STRONGER EUROPEAN AUTOMOTIVE INDUSTRY REQUIRES STRONGER EUROPEAN VALUE CHAINS

For more than 30 years, Türkiye and the European Union have built one of the world's most integrated automotive manufacturing ecosystems.

Under the EU-Türkiye Customs Union, vehicles, parts, technologies and investments move seamlessly across borders - powering European competitiveness, supporting considerable number of jobs and driving innovation.

This is reflected not only in industrial integration but also in balanced mutual trade, shared investments and interconnected supply chains.

The Industrial Accelerator Act presents a unique opportunity to reinforce the integrated automotive ecosystem that the EU and Türkiye have built together over more than three decades.

To preserve and further strengthen the mutual benefits of the EU-Türkiye automotive partnership, vehicles and automotive components assembled or manufactured in Türkiye should be recognized within the "Union Origin" definition and included across all relevant provisions of the proposal.



Türkiye is an integral part of Europe's automotive manufacturing ecosystem

30+
Years of industrial integration

BALANCED MUTUAL TRADE
EU → TR €28 bn
TR → EU €26 bn

#3
TR's rank in EU's automotive export destination

800 K+
EU's vehicles exported to Türkiye

55%
Share of EU-made parts in Türkiye's parts imports

70%+
TR's vehicle production generated by European manufacturers

60%+
European-brand share in TR automotive market

85%
Share of European manufacturers in TR–EU bilateral trade

250 K+
Employment
Jobs in the EU, supported by Türkiye's automotive industry through integrated value chains and mutual trade

COMPLEMENTARY MANUFACTURING
Fully integrated into Europe's manufacturing ecosystem

Stand Together in Global Competition

RECOGNISE TÜRKİYE WITHIN THE "UNION ORIGIN" FRAMEWORK
Recognise vehicles and parts manufactured and assembled in Türkiye within the "Union Origin" framework, reflecting the deeply integrated European automotive value chain.

STRENGTHEN EUROPE'S COMPETITIVENESS TOGETHER
Strengthen Europe's global competitiveness through trusted industrial partnership, open market, same rules on new investments, innovation and sustainable transformation.

ENSURE CONSISTENCY WITH THE CUSTOMS UNION
Ensure full legal consistency with the EU-Türkiye Customs Union and uphold existing obligations and the spirit of the partnership since 1995.

AVOID UNINTENDED FRAGMENTATION OF VALUE CHAINS
Avoid disrupting the seamless flow of vehicles, components and technologies across borders and undermining Europe's industrial strength and resilience.

OİB, OSD and TAYSAD are the main automotive associations in Türkiye

- *OIB is Automotive Exporters Association, has more than 2.500 + member company in Türkiye*
- *OSD is Automotive Manufacturers Association of Türkiye , represents 13 OEMs with a combined annual production capacity of 2.2 million vehicles*
- *TAYSAD is Automotive Suppliers Association of Türkiye has more than 540 member company*

TÜRKİYE DRIVES JOBS IN EUROPE

ONE EUROPEAN VEHICLE. BUILT TOGETHER.

An integrated automotive ecosystem connecting Europe and Türkiye.
Creating value, driving innovation and powering jobs.

A STRONG IMPACT ON EMPLOYMENT ACROSS EUROPE

TODAY (2024)

How many jobs does the automotive industry in Türkiye support in Europe today?

The EU market sells over 800K vehicles to Türkiye, which secures 162,000 jobs in Europe.

162,000
JOBS
(Eurostat data)

+

Türkiye produces 1.4 million vehicles, exporting nearly 1 million of them globally, which creates 87,000 jobs in Europe.

87,000
JOBS

TOTAL EU JOBS SUPPORTED
≈ 250,000 JOBS

TOMORROW (2035 PROJECTION)

How many jobs will the automotive industry in Türkiye support in Europe tomorrow?

As Türkiye's automotive market is projected to reach 2 million vehicles by 2035, its employment contribution to Europe is expected to reach 250,000 jobs.

≈ 250,000
JOBS

+

With Türkiye's automotive exports projected to grow by 72% by 2035, its employment contribution to Europe is expected to reach 150,000 jobs.

≈ 150,000
JOBS

TOTAL EU JOBS SUPPORTED
≈ 400,000 JOBS

Source:
Market Impact: Eurostat FIGARO – Domestic employment in final use by final producer industry
Manufacturing Impact: OIB Calculation based on Eurostat FIGARO models

STRONGER TOGETHER FOR SECURE JOBS AND A COMPETITIVE FUTURE

KEEP VALUE CHAINS OPEN
Avoid new barriers that could disrupt an integrated European automotive ecosystem.

PROTECT SHARED EMPLOYMENT
Measures affecting Türkiye's competitiveness can also put European jobs across the value chain at risk.

FACE FUTURE CHALLENGES TOGETHER
Deeper cooperation will strengthen Europe and Türkiye's ability to navigate the transition ahead.

INTEGRATED SUPPLY CHAIN: ONE JOURNEY, BUILT TOGETHER

EUROPE

ADVANCED TECHNOLOGIES

MACHINERY & EQUIPMENT

TÜRKİYE

1 R&D & ENGINEERING IN EUROPE

High value is created in Europe through R&D, engineering and design excellence.

2 RAW MATERIALS FROM EUROPE

Critical raw materials are sourced from European suppliers.

3 COMPONENTS MADE IN EUROPE

Components are produced in Europe using advanced technologies and machinery by skilled European workforce.

EU LABOR FORCE

4 LOGISTICS TO TÜRKİYE

Components are shipped to Türkiye by European logistics companies.

EU LOGISTICS

5 PRODUCTION IN TÜRKİYE

TÜRKİYE MANUFACTURING HUB

Components are assembled into vehicles in Türkiye by European OEMs in a competitive ecosystem.

SUPPLIERS IN TÜRKİYE

European suppliers process raw materials and components in Türkiye in a competitive ecosystem and deliver to OEMs.

TÜRKİYE LABOR FORCE

6 LOGISTICS TO EUROPE

Finished Vehicles are transported to Europe by European companies.

EU LOGISTICS

7 AFTER SALES & SERVICES IN EUROPE

Vehicles continue to produced value through after sales services.

EU SERVICE NETWORK

8 BACK TO EUROPE AND BEYOND

Vehicles are exported back to Europe and to many other destinations worldwide, continuing to create value for Europe.

KEEP EUROPE & TÜRKİYE CONNECTED – COMPETE, TRANSFORM AND GROW TOGETHER.

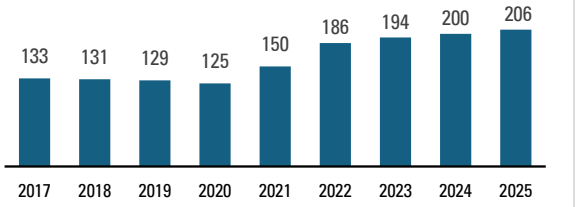
EUROPEAN INTEGRATION
INDUSTRIAL STRENGTH
SHARED PROSPERITY
GLOBAL COMPETITIVENESS

TÜRKİYE is a Strategic Partner for the EU Automotive Industry

Türkiye Auto Industry Associations (OSD-TAYSAD-OİB / July'26)

The foundation is already in place to further strengthen this mutually beneficial partnership for the future

EU-Türkiye Growing Total Trade (B€)



BUILDING TRADE INTEGRATION Since 1963

CUSTOMS UNION Since 1995

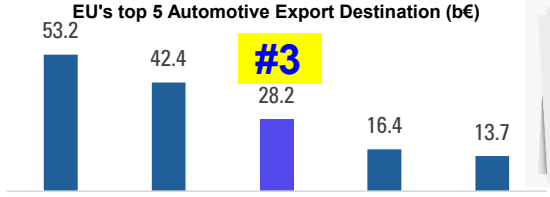
€ 206bn Total Bilateral Trade

5th Largest Bilateral Trade Partner of the EU

1 IN EVERY 4 EUROS Of EU-Türkiye Goods Trade is Automotive

For decades, the EU - Türkiye Customs Union has created **strong, stable and predictable trade and supply chain links.**
The **Automotive sector is a central part of this solid integration**.

EU's top 5 Automotive Export Destination (b€)



Source: ITC Trade Map

Türkiye is EU's #3 largest Automotive Export Market

EU-origin passenger and light commercial vehicles represented 73% of Türkiye's Imports ~700K PC & LCV Veh/Year

EU–TÜRKİYE AUTOMOTIVE INTEGRATION

€54.3bn TÜRKİYE–EU AUTOMOTIVE TRADE IN VEHICLES AND PARTS IN 2025

EU27→ Türkiye: €28.2
Türkiye → EU27: €26.1

+1,500 EU-OWNED COMPANIES ARE ACTIVE IN TÜRKİYE'S AUTOMOTIVE FOREIGN TRADE.

85% of Türkiye-EU bilateral trade driven by European manufacturers

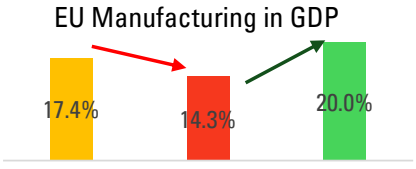


Turkish Automotive Industry

- Full Compliance with EU Regulation
- Aligned with the EU Green Deal
- A long-standing and trusted partner
- Complementery partner of EU auto industry

- Major **EU OEMs have already invested over €20 bn in Türkiye.** They are exporting to the EU but also to other countries using Türkiye's competitive manufacturing capabilities, skilled workforce, strong supplier base and strategic location.
- The trade balance between the EU and Türkiye in the automotive sector is broadly balanced (with a slight surplus in favor of the EU).

The Industrial Accelerator Act



- The share of manufacturing in total EU GDP has declined from 17.4% to 14.3% in between 2000-2024
- The draft Industrial Accelerator Act aims to ensure that by 2035, this trend is reversed and that manufacturing represents 20% of the EU GDP

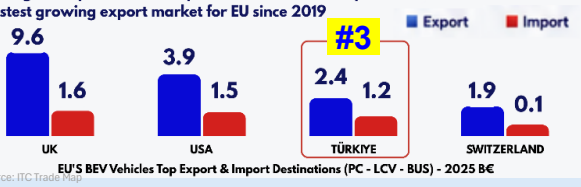
➔ Türkiye, as a strategic partner of the EU automotive industry, supports joint action to strengthen Europe's competitiveness

THE FUTURE: Made with Europe for a Common Goal

Türkiye's BEV market potential for the EU

TODAY, TÜRKİYE IS EU'S #3 BEV EXPORT DESTINATION

Strong trade position with a positive balance in Europe's favor
Fastest growing export market for EU since 2019

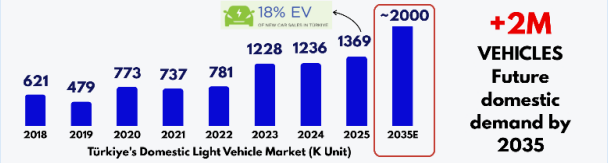


EU'S BEV Vehicles Top Export & Import Destinations (PC - LCV - BUS) - 2025 B€

Source: ITC Trade Map

EU'S BEV MARKET & EXPORT OPPORTUNITY TO TÜRKİYE

A fast-growing market with strong future demand potential



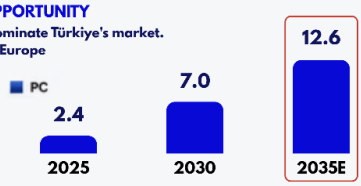
Türkiye's Domestic Light Vehicle Market (K Unit)

+2M VEHICLES Future domestic demand by 2035

EUROPE'S NEXT #2 EXPORT OPPORTUNITY

European manufacturers already dominate Türkiye's market.
The opportunity already belongs to Europe

€ 12.6bn in EU exports to Türkiye projected in 2035 **#2**



EU BEV Vehicles Exports (PC + LCV + BUS, B€)

Source: OIB Projection based on S&P Global Mobility - Sales based Powertrain Forecast, August 2025

Secure, resilient Supply Chains to enable future export growth



Türkiye:

- ✓ Is an important market for EU Manufacturers
- ✓ Can contribute EU Competitiveness by using trusted and resilient supply chain (existing 4%-9% lower cost contribution)
- ✓ Has commitment to green transformation

Including **Türkiye** in the IAA framework would strenghten the European Automotive industry by safeguarding preferential access to a major BEV growth market and trusted value-chain partner.

Including Türkiye is a *win–win situation for both sides*

Policy Recommendation ➔ The IAA should recognise Türkiye in the "Made in EU" definition as a Customs Union, strategic, trusted industrial partner to face common challenges and global imbalances together.

OiB the Turkish association representing Automotive Exporters. It has over 2.500 member companies, representing more than EUR30 billion in exports.

OSD is Türkiye's Automotive Manufacturers Association, representing the country's vehicle manufacturers. Established in 1974, it brings together 13 globally active member companies to support the development, competitiveness and sustainability of Türkiye's automotive industry.

TAYSAD is Türkiye's Automotive Suppliers Association and the leading representative of the country's automotive supply industry. Founded in 1978, it has more than 540 member companies, representing around 85% of the sector's output and exports.