



XX June 2026

**Joint Letter from Estonia, Latvia, Lithuania and Slovakia
From Pilots to Real Life**

Dear Executive Vice-President Stéphane Séjourné,
Dear Commissioner Apostolos Tzitzikostas,

The Automotive Industrial Action Plan rightly states that Europe must regain leadership in “AI-powered, connected and autonomous vehicles”, recognizing autonomous driving as one of the key technologies determining the future competitiveness of the European automotive industry.

The Action Plan correctly identifies that global competition in the automotive sector is shifting rapidly towards software-defined vehicles, artificial intelligence, data-driven services, and autonomous mobility systems. This strategic diagnosis is sound. However, Europe’s main challenge today is no longer technological ambition, but achieving real-world deployment at scale.

The Action Plan puts forward important building blocks, including the strategic prioritisation of autonomous vehicles, the creation of a European Connected and Autonomous Vehicle Alliance, progress towards harmonised rules for autonomous driving systems and testing, and the use of cross-border testbeds and regulatory sandboxes. These initiatives demonstrate clear intent yet remain largely focused on coordination and pilots.

In other major markets, autonomous robotaxi services already operate at scale, generating operational data, investment confidence and rapid learning. These services already provide more than 450,000 rides per week in the United States and over 250,000 in China. In contrast, Europe remains largely confined to around 35 pilot projects, with limited commercial deployment.

This gap is not caused by a lack of expertise or industrial capacity. European companies and suppliers are globally competitive. The first obstacle is structural: fragmented national rules governing ride-hailing and on-demand passenger services prevent autonomous mobility from scaling across the Single Market.

As also reflected in the Single Market Strategy of May 2025, the Commission has recognized the need to ensure the effective application of Single Market principles in the taxi and private hired vehicle sector. Feedback from market participants indicates that the Single Market in this sector remains constrained by outdated and disproportionate local rules. These include, inter alia, restrictive pricing regimes, license caps, minimum ride requirements, and operational obligations that limit efficiency and flexibility.



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Such fragmentation not only reduces consumer choice and increases costs, but also directly constrains innovation — especially in autonomous mobility, where scalable ride-hailing services are a key deployment channel. Major global players such as Uber, Lyft, and Didi have already made substantial investments in this transition, with the aim of significantly reducing service costs.

Without a more coherent EU-level framework, global competitors with the financial capacity to overcome regulatory constraints will dominate the AV deployment race, while smaller European startups and scale-ups are pushed out of the market.

To move from pilots to real life, autonomous mobility must be treated not only as a vehicle technology, but as a Single Market services issue. Ride-hailing and autonomous passenger services should be prioritized for harmonisation, enabling proportionate market access, predictable scaling conditions and investment certainty, without compromising safety or public policy objectives.

The Automotive Industrial Action Plan sets the right ambition. To deliver that ambition, it must now be complemented by a services-driven Single Market approach that translates Europe's technological strengths into real-world deployment and global competitiveness.

Yours sincerely,

Erkki Keldo

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