

Cabinet newsletter

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Dear Reader,

On the 28th of April the European Commission approved the new European Strategy on clean and energy efficient vehicles. Its objective is to boost the competitiveness of the European industry by proposing a new industrial approach for the automotive sector. I think it is worth to inform you about this new strategy which will impact the future of citizens, and industry, across our European Union.



Antonio Preto
Head of Cabinet

The adoption of a strategy promoting clean and energy efficient vehicles was a first step towards the growth's objectives set out for 2020. This initiative is a case in point for the new approach taken by Vice-president Tajani to the European industrial policy. This is so for two reasons: firstly, it is related to a key sector of the European economy and secondly it links innovation and sustainability to competitiveness so as to defend and create employment in Europe. In a nutshell, with this strategy the Commission answers to the question: "what will happen to European industry in the forthcoming years?"

The European union and its Member States share a common vision for a green future of the European automotive industry. The market is going in the same direction as well as the EU's global competitors on both the American and Asian continents that are investing in low-carbon technologies.

In this paper, the Commission sets out a two tracks strategy: on one hand, promoting clean and energy efficient vehicles based on conventional engines and, on the other, giving a boost to the development of breakthrough technologies with low-carbon impact. Vice-President Tajani believes that the European Commission should take into consideration a portfolio of different technologies and remain technology neutral, letting manufacturers and consumers make the best choice.

In order to achieve these goals, the Commission is willing to foster the tools that already exist to promote research and innovation and is exploring new forms of cooperation with the European Investment Bank. However, the market response should be taken in consideration. Involvement of consumers and demand-side incentives are therefore crucial.

Tackling the necessity of automotive restructuring, institutions have made the choice of promoting and incentivising competitiveness which is paramount to ensure, and

increase, the current levels of employment. New technologies will mean new skills, and one of the actions to take is therefore using the European Social Fund to encourage retraining and upskilling.

This initiative provides a framework for future policy undertaken by the European Commission in this field. The automotive industry is indeed connected with the most important issues for the European Union in the future: the access to raw materials and energy, and the restructuring of traditional industries, due to the increasing demand of sustainability. As Vice-President Tajani pointed out addressing the European Parliament: *"this strategy will allow European citizens to enjoy a higher quality of air, to have a wider choice of vehicles in the market and to reduce costs despite the fluctuations and the increase in oil prices"*.