



European
Automobile
Manufacturers
Association

European Strategy on Clean and Energy- Efficient Vehicles

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Low emission vehicles: What comes next?

Vehicle manufacturers are committed to further reduce emissions

Internal combustion engine

- Further improvements & important contribution to overall CO2 reduction still possible
- Primary power-train in the next decades



No 'silver bullet' towards sustainable mobility

- Diverse transportation needs
- All transport modes need to deliver substantial emission reduction contributions
- Need for **sustainable and affordable mobility**



Further diversification of fuels and power trains

- Need for sufficient fuel infrastructure, resources and long-term taxation support to reap full CO2 reduction potential of biofuels, CNG and LPG as well as electricity (BEV, EREV, PHEV), and hydrogen





Economic environment

- Limited OEM budget requires careful **investments in multiple technology developments**
 - Conflicting political targets and consumer expectations
 - Cumulative costs of regulations
 - Pave the way towards truly sustainable mobility
- **Economic environment** and **customer acceptance** continue to define demand for more fuel efficient cars
 - Cost-effectiveness of technological measures
 - Car industry driven by competition
 - Market demand → Harmonised CO2 based taxation
 - Customers have expectations and routines in line with their individual mobility needs and habits
- Increasing challenge: **affordability** of individual mobility



Electrically chargeable vehicles

Key pillars for success

- Supportive policy framework, market acceptance, infrastructure, changes in energy production, technology ability to help electrically chargeable vehicles finally becoming a viable alternative

Significant & simultaneous investment required by multiple players (from the public & private sector)

- Difficult economic situation → limited access to financing
- Risk that investments and thus market penetration are capped

EU competitiveness

- Intensive policy support in the US, China and Japan
 - Activities are well coordinated
- EU competitiveness at stake
 - New engineering & manufacturing opportunities
- Free market access to third countries with level playing field
 - Avoidance of trade distorting measures, raw materials access



Implementing the integrated approach

- **Vehicle manufacturers are committed to further reduce emissions**
- **Integrated approach allows achieving environmental goals at lowest costs to society**
 - **Eco-Driving, infrastructure and traffic management**
 - o Cost-effective and can be applied on all cars on the road
 - o CARS 21 Mid-Term Review on measurability: “... it should be **investigated whether and how it is possible to measure their contribution in the future.** If the precise contribution of a measure cannot be determined with full accuracy....**fair technical assessment of the likely CO2 reduction** which they can deliver...”
 - **ITS (Intelligent Transport Systems)**
 - o Can help deliver significant energy efficiency gains and emission reductions



Basic pillars of European strategy

- Defend and **strengthen Europe's manufacturing base**
 - Better regulation & impact assessments taking into consideration consumer needs and expectations
 - Avoid excessive legislation
 - Ensuring access to investment finance (EIB...)
- The European Strategy should adopt a truly **Integrated Approach**
 - Technological progress AND demand change
- Define a **technology-neutral, long-term policy environment**
 - Need for a **balanced** policy framework based on realistic market assessment regarding alternative power-trains and internal combustion engines
 - Supportive policy to cover R&D, market introduction and manufacturing of energy-efficient vehicles and components
 - Including incentives to establish and sustain a market for energy efficient vehicles