ACEA

European
Automobile
Manufacturers
Association

Auto industry pushes hard to reduce CO_2 emissions and needs supportive, realistic legislative framework to succeed

- Legislative proposal on CO_2 from light commercial vehicles still requires substantial improvements

Brussels, 28 October 2009 - The European automobile industry is proceeding at full pace to reduce further CO_2 emissions from its vehicles and is confident to meet legislative targets if a supportive policy and legislative framework is secured. The legislative proposal for limiting CO_2 emissions from light commercial vehicles, adopted today by the European Commission and subject to approval by the European Parliament and Member States, however disregards the economic reality as well as the specific characteristics of the vehicle segment concerned.

In line with the pledge not to introduce new, costly regulation during the crisis, the European Commission should have handed over this important legislative dossier to the next Commission team that will be working with the new European Parliament. “Our economies are on life support. The automotive industry -- and in particular the commercial vehicle industry -- is still suffering from a continuing credit crunch and a depressed economy. Policy makers must deliver on the balancing act between environmental and economic priorities”, said Ivan Hodac, Secretary General of ACEA.

Demand for new light commercial vehicles has dropped by 34.4% this year and by 47.3% in the case of heavy trucks. The commercial vehicle sector depends entirely on the economy to recover in order to see sales pick up again and generate the revenues necessary to invest. “The European manufacturers will further deliver significant CO_2-efficiency improvements to market despite the austere economic and financial conditions”, added Hodac. “To continue doing so, the industry needs a policy framework that enables it to perform best in the transition to a low-carbon economy. That is both an environmental and an economic interest for the EU.”

The proposal presented today must become much more tailored to the specific vehicle segment concerned and take into account the major differences with passenger cars. “There is a focus on technologies regardless of the market situation or customer needs. There is not much consideration of the different uses of the vehicles concerned. That is a missed opportunity,” said Hodac. “EU policy makers should furthermore ensure sufficient industrial lead-time which is, at the moment, not foreseen.” Lead-time is essential to sustain investments and adapt vehicles at a reasonable time in their product cycle, keeping them affordable. Light commercial vehicles have a substantially longer development phase as well as product cycle than passenger cars.

Policy makers are urged to perform a thorough analysis of the proposal’s impact on the economy, employment and the environment, in particular with regard to the long-term target. Penalties should be based on the carbon price in the European Emission Trading Scheme. Furthermore, a comprehensive package of market incentives would help ensure that fleet renewal takes place, especially in an economically depressed market.

About ACEA

The European automotive industry is key to the strength and competitiveness of the European economy. The ACEA members are BMW Group, DAF Trucks, Daimler, FIAT Group, Ford of Europe, General Motors Europe, Jaguar Land Rover, MAN Nutzfahrzeuge, Porsche, PSA Peugeot Citroën, Renault, Scania, Toyota Motor Europe, Volkswagen and Volvo. They provide direct employment to more than 2.3 million people and indirectly support another 10 million jobs. Annually, ACEA members invest €20 billion in R&D, or 4% of turnover.

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Press Release