



ACEA

European
Automobile
Manufacturers
Association

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European Commission's economic recovery plan is first step towards decisive EU action

The economic recovery plan presented today by the European Commission is a welcome first step towards addressing the consequences of the financial crisis, aimed at preventing a prolonged slump in the EU economy and supporting – amongst others - the automotive industry. Now, details of the plan have to quickly become clear particularly with regard to its scope and the amount of funding available.

“EU governments and institutions need to act and urgency is key. The framework proposed this morning needs to be translated swiftly into concrete and effective measures to help an industry in great danger,” said Christian Streiff, President of the automobile industry’s trade association ACEA and CEO of PSA Peugeot Citroën.

“Our industry will work with the European Investment Bank and national governments to find pragmatic solutions, using all possible resources available at community and national level”, added Ivan Hodac, Secretary General of ACEA. “The proposal of today represents a broad range of opportunities that now need to come together in a coherent and coordinated manner. The increased credit facility from the European Investment Bank, to be adopted by the Ecofin council of 2 December, will be a further important step.”

Over the past decade, the auto industry has been directing large investments towards the transition to a low-carbon economy. To help ensure further progress, as well as guarantee a sound manufacturing base in Europe, a supportive policy framework is essential in particular in light of accumulative regulatory requirements.

European new car registrations, an important economic indicator, declined by 10% in the third quarter. As demand is not likely to recover soon, manufacturers and suppliers have started to scale back production. The automotive industry is rooted in more than two third of the EU member states, and 12 million European families depend on the sector for employment. The multiplier effect of the industry is significant, with innovations developed for automotive use often being instrumental to progress in other sectors.

“We need to study today’s proposals in more detail and will actively help shaping the urgent proposals for financial support, broad market incentives to accelerate fleet renewal, reduce the regulatory burden on the industry, and ensure free trade agreements that ensure all parties a mutual benefit and fair market access”, said Hodac. The automotive industry is key to the EU economy and it is fundamental to take decisive action to help the sector.”

The ACEA members are BMW Group, DAF Trucks, Daimler, FIAT, 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 support another 10 million jobs in related sectors. Annually, ACEA members invest €20 billion in R&D, or 4% of turnover.

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