



European Commission

Enterprise and Industry  
Directorate-General

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# Overview

- Automotive Industry & Competitiveness
- Cars 21
- Community CO<sub>2</sub> Strategy
- Fiscal Incentives for Motor Vehicles
- Pedestrian Protection

# Competitiveness Report 2004

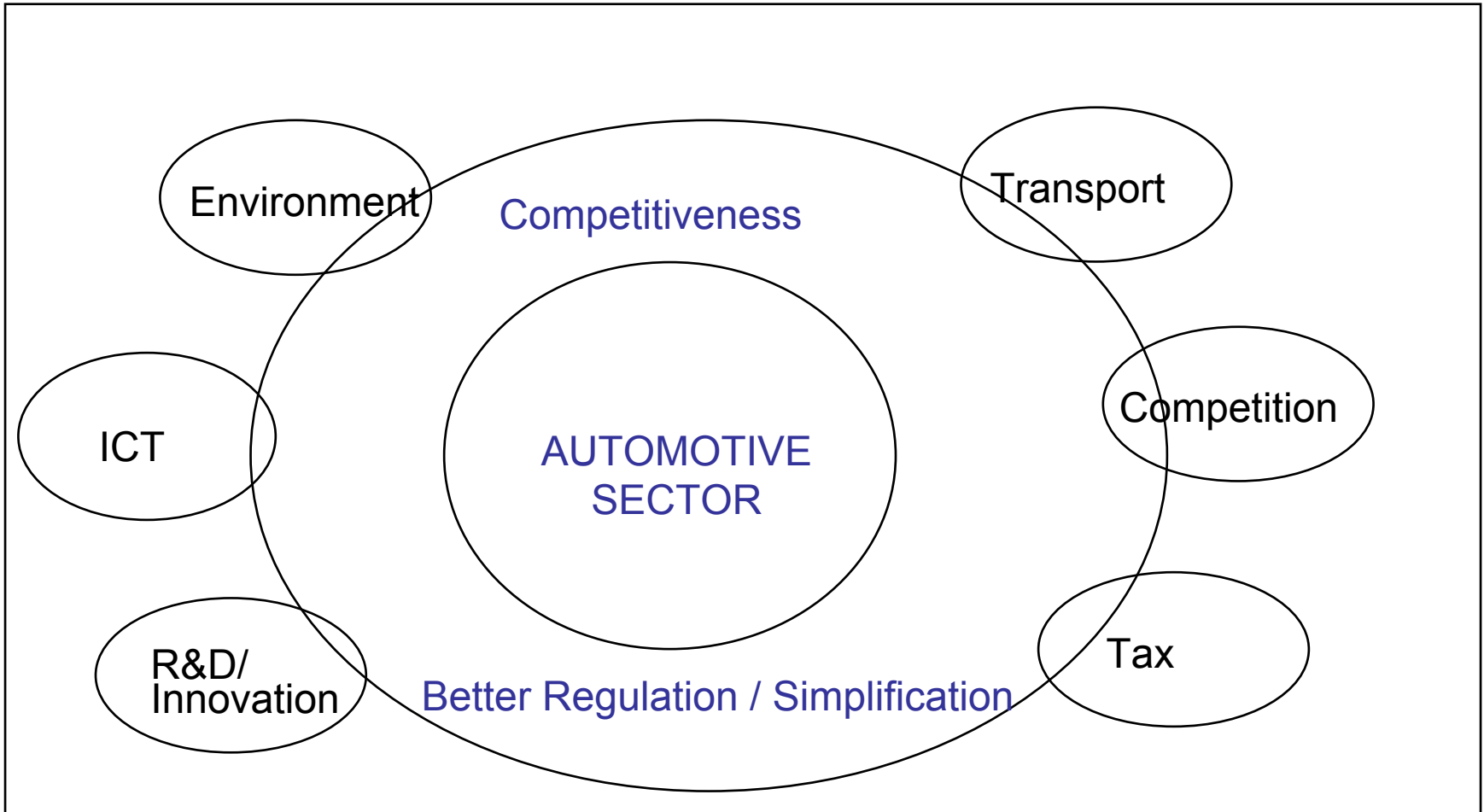
- 7 % of total EU manufacturing output
- Employs 2 million (6% manufacturing)
- 17 million cars in 2002 (42% global)
- 14% global truck production
- 20% R&D in manufacturing

# Competitiveness Report 2004

“.....depends also on a stable, coherent, cost-effective regulatory framework .....

“There is also an important role for policy to play.....by setting framework conditions conducive to growth and innovation”

# Policy Interaction



## ***CARS 21***

### **A Competitive Automotive Regulatory System for the 21st century**

**Final Report**



European Commission

# CARS 21 High Level Group

- Make recommendations for the short, medium and long-term public policy and regulatory framework which:
- Enhance its global competitiveness as well as employment
- Sustain further progress in safety and environmental performance at a price affordable to the consumer.

# CARS 21: Final Report

10 year Road map with key initiatives and monitoring procedure

- Better Regulation & Simplification
- International harmonisation
- Environment
- Road safety
- Trade
- R&D
- Taxation & fiscal incentives
- Intellectual Property
- Competition





# CARS 21: Final Report

“...Member States’ continuous and active support towards the realisation of the objectives set by the CARS 21 High Level Group is of the utmost importance. It is necessary that individual initiatives taken at national level are coordinated with the evolving regulatory framework at EU level.”

# Community CO<sub>2</sub> Strategy

- 1995 Communication on CO<sub>2</sub> Strategy
- 1998 Communication on voluntary agreement with European Motor Industry
- 1999 Recommendation on agreement (ACEA)
- 2000 Recommendations on agreements with JAMA and KAMA



# Community CO<sub>2</sub> Strategy

- Annual Communication on effectiveness
- 2003 mid-term review of commitments
- 2006 Review of CO<sub>2</sub> Strategy
- Impact Assessment on CO<sub>2</sub> objective
- Cars 21 Final report recommendation

# Communication on CO<sub>2</sub> Strategy

(6)“ .....The Commission believes that this Strategy has to be based on an appropriate combination of mutually reinforcing measures at both Community and Member State level. It has to be consistent and take account of the different policy objectives potentially affected.”

# CO<sub>2</sub> Strategy: 3 Pillars

- Technological improvements in new cars: such as in the area of fuel economy. (**Voluntary Commitments**)
- Consumer Information
  - EU car labelling scheme
- Fiscal Measures
  - Car taxation

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Integrated Approach

# CO<sub>2</sub> Strategy:

## •Voluntary Commitments

*“....These commitments confirm the industry’s interest in working together with public authorities towards reducing CO<sub>2</sub> emissions from the transport sector in the spirit of shared responsibility.” (29)*

# CO<sub>2</sub> Strategy:

- **Voluntary Commitments**
  - ACEA, JAMA and KAMA
  - Set emission objective for average of new passenger cars by 2008/9
  - Set means of achievement – mainly by technological developments

# Voluntary Commitments

## •Monitoring Scheme

- Harmonised methodology to measure emissions & fuel consumption
- Evaluate the effectiveness

***(12) “.....ensure the compilation of a minimum set of data required to allow the proper functioning of a scheme to monitor the average specific emissions of CO<sub>2</sub> from new passenger cars.”[1]***



# Voluntary Commitments

## 5<sup>th</sup> annual Communication on the effectiveness of the strategy:

- *“.....show that ACEA and JAMA have, during the period 1998 to 2003, met all the obligations stated in their respective Commitments. The car industry has, in doing so, delivered a sizeable contribution to the EU’s strategy for reducing greenhouse gas emissions and to its Kyoto reduction objectives.” (9. Conclusions)*



# CO<sub>2</sub> Strategy: Review

- Impact assessment
- Cars 21 recommendation on an integrated approach to further reduce CO<sub>2</sub> in the most cost effective way
- Working group under EU Climate Change Programme

# Fiscal Incentives for Motor Vehicles

- Euro 4 emissions standard (98/69/EC)
- Ensure coherent policy for single market
  - Legal and procedural obligations when introducing fiscal incentives
  - Indications to Member States on particulate matter value (PM: 5mg/km)
  - 80 % reduction compared to Euro 4 (25mg/km)
- Dec 2005: Euro 5 proposal

# Communication on Pedestrian Protection

- Commitment by European Motor Industry
  - Tests aimed at improving frontal structures
  - Number of additional active and passive safety measures
- Council Conclusions November 2001
- European Parliament Resolution June 2002

# Communication on Pedestrian Protection

- Framework Directive
- Split level approach:
  - Directive 2003/102/EC
  - Commission Decision 2004/90/EC
- Monitoring
  - Feasibility Study

# F1 Automotive Industry Unit

Thank you for your attention

[http://europa.eu.int/comm/enterprise/automotive/index\\_en.htm](http://europa.eu.int/comm/enterprise/automotive/index_en.htm)

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