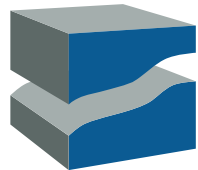




Passenger Car-Related CO₂ a manufacturers view of progress

Mike Hollingsworth
Director - Transport Policy ACEA

Rome - 16 February 2006



ACEA



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- 2 CO₂ Reduction from Passenger Cars
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2

Current Political Measures



Car Industry Commitments

→ 140 g/km target for 2008/2009



Consumer Information

→ Fuel consumption and CO₂ emission labeling of cars



Fiscal Measures

→ Fuel taxation
→ Vehicle taxation



R&D support

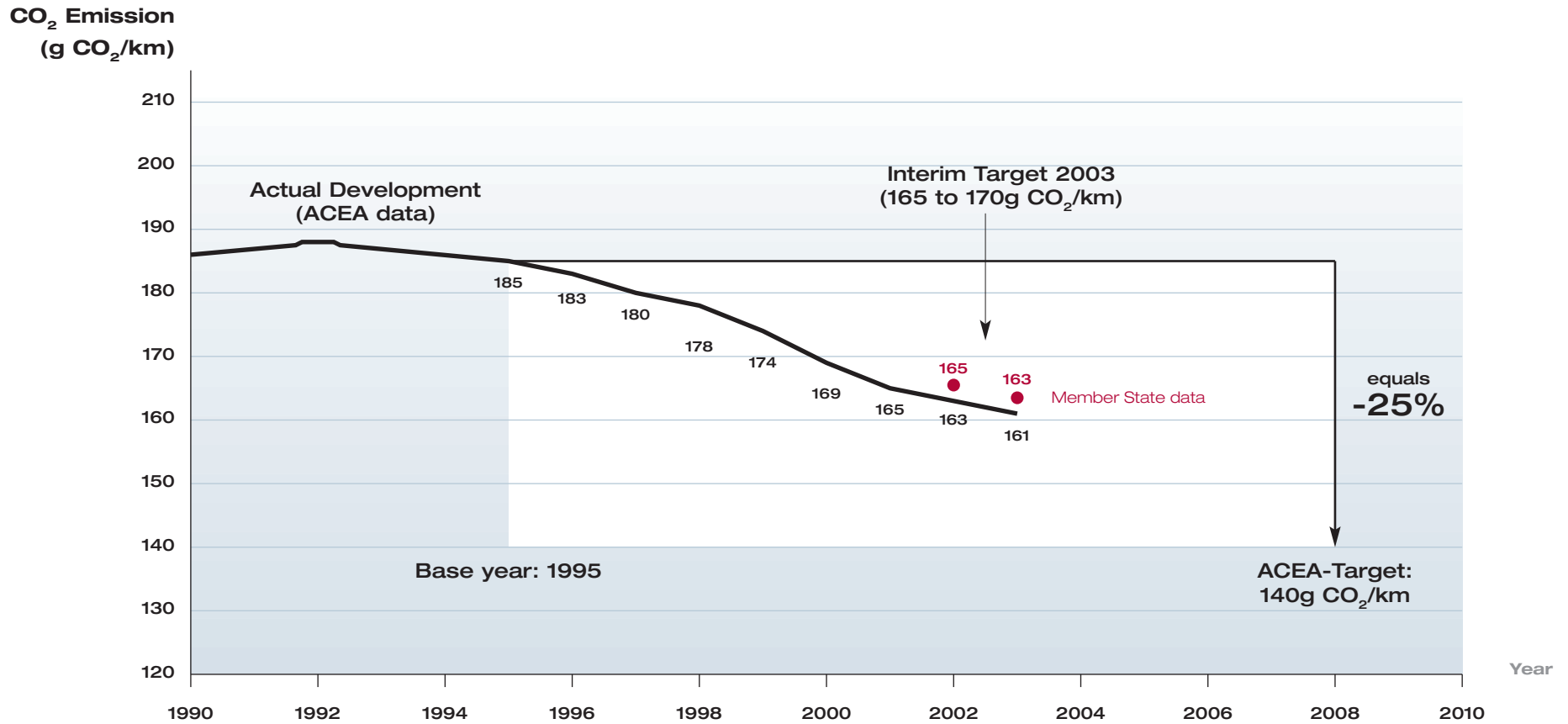
→ 6th/7th Framework Programme

EU CO₂ Reduction Strategy for New Passengers Cars

2

Current Political Measures

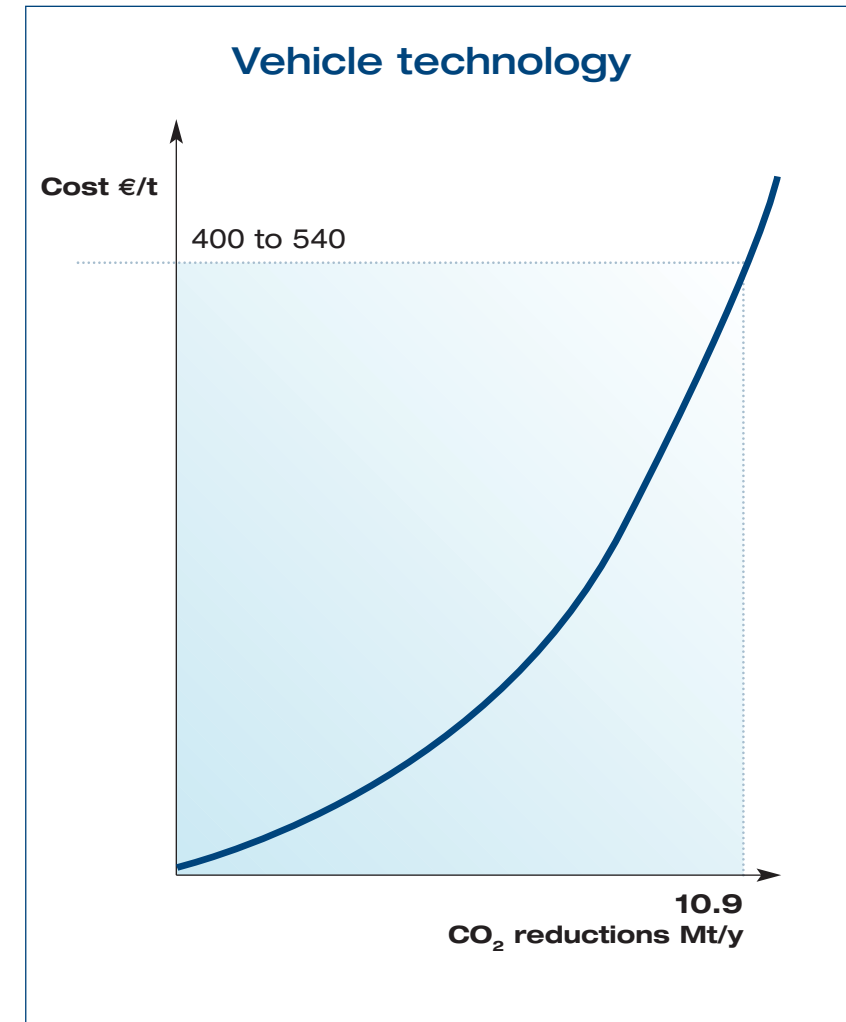
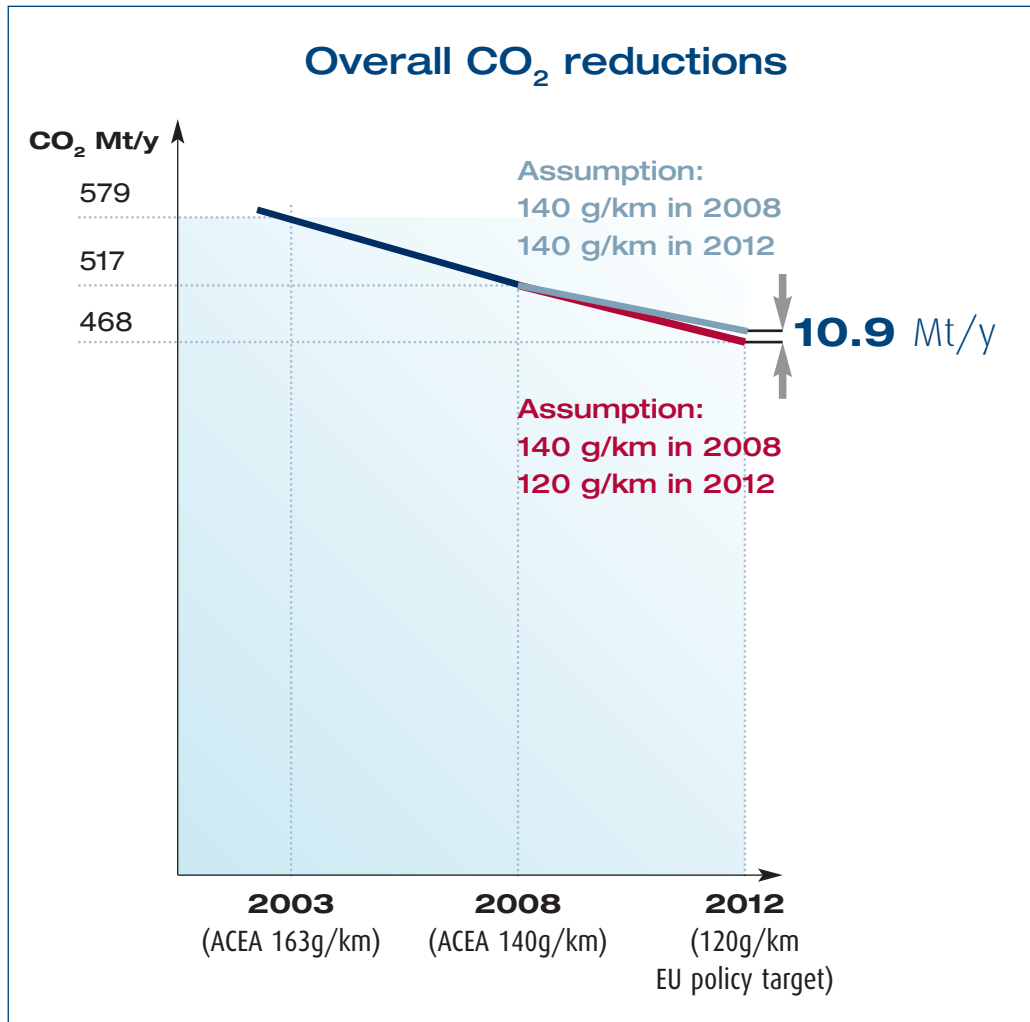
ACEA Commitment on CO₂ Emissions: Reduction, 1995 to 2008



3

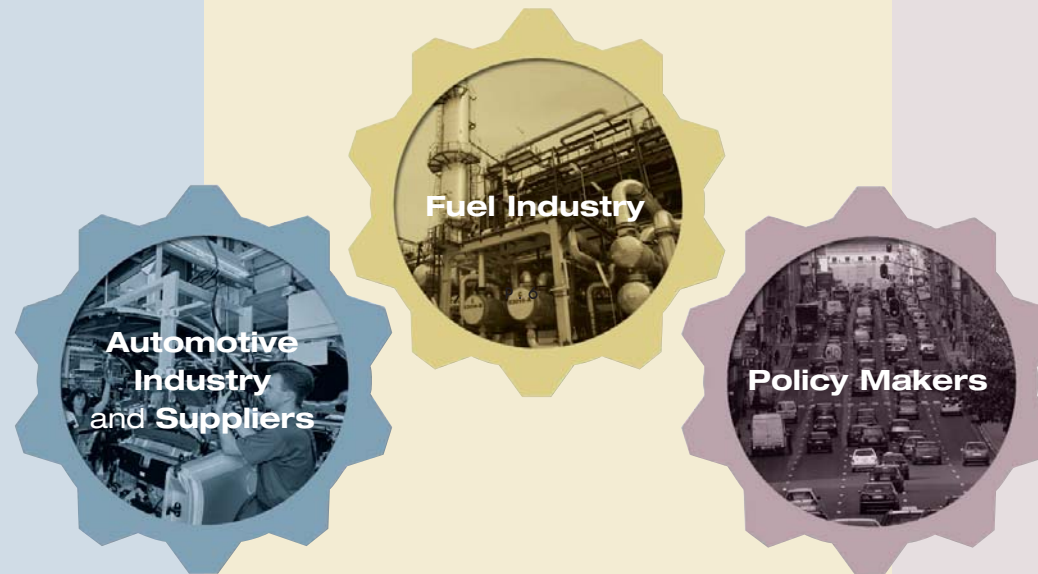
The CO₂ Emission Reduction Potential and Cost of 120 g/km Target for Vehicle Technology Only

Further technology measures have limited CO₂ impact at high cost



4 An Integrated Approach to meet the CO₂ Challenge

An Integrated Approach for reductions of car related CO₂ emissions will achieve more at lower costs

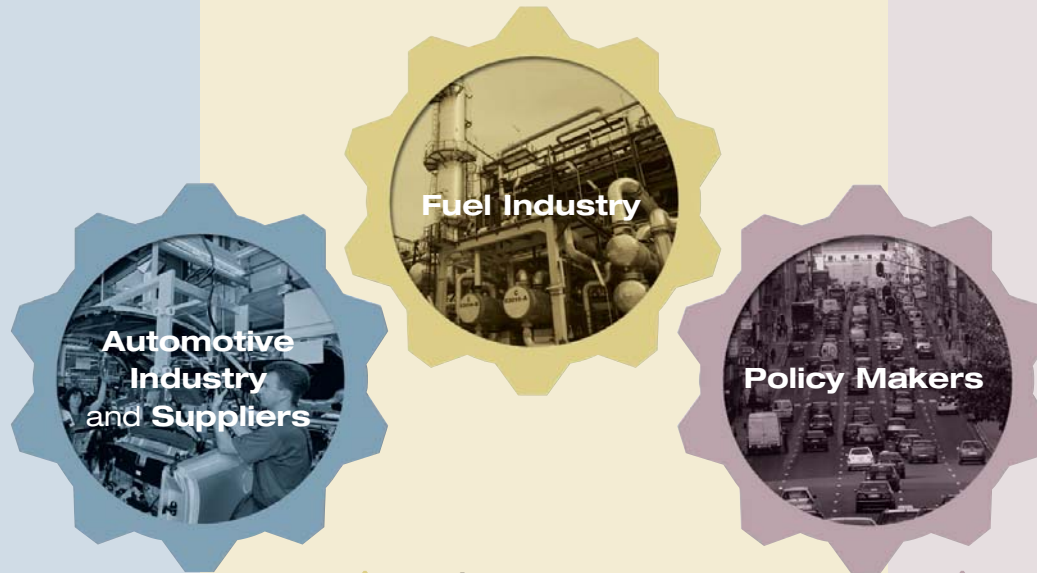


3-step approach

- 1: Identify potential activities to reduce CO₂ emissions with all stakeholders involved
- 2: Identify and compare the costs and CO₂ reduction potentials of these activities
- 3: Identify measures to promote the most cost-effective activities

4 An Integrated Approach to meet the CO₂ Challenge

Step 1: **Identify activities to reduce CO₂ emissions with all stakeholders involved** (EXAMPLES)



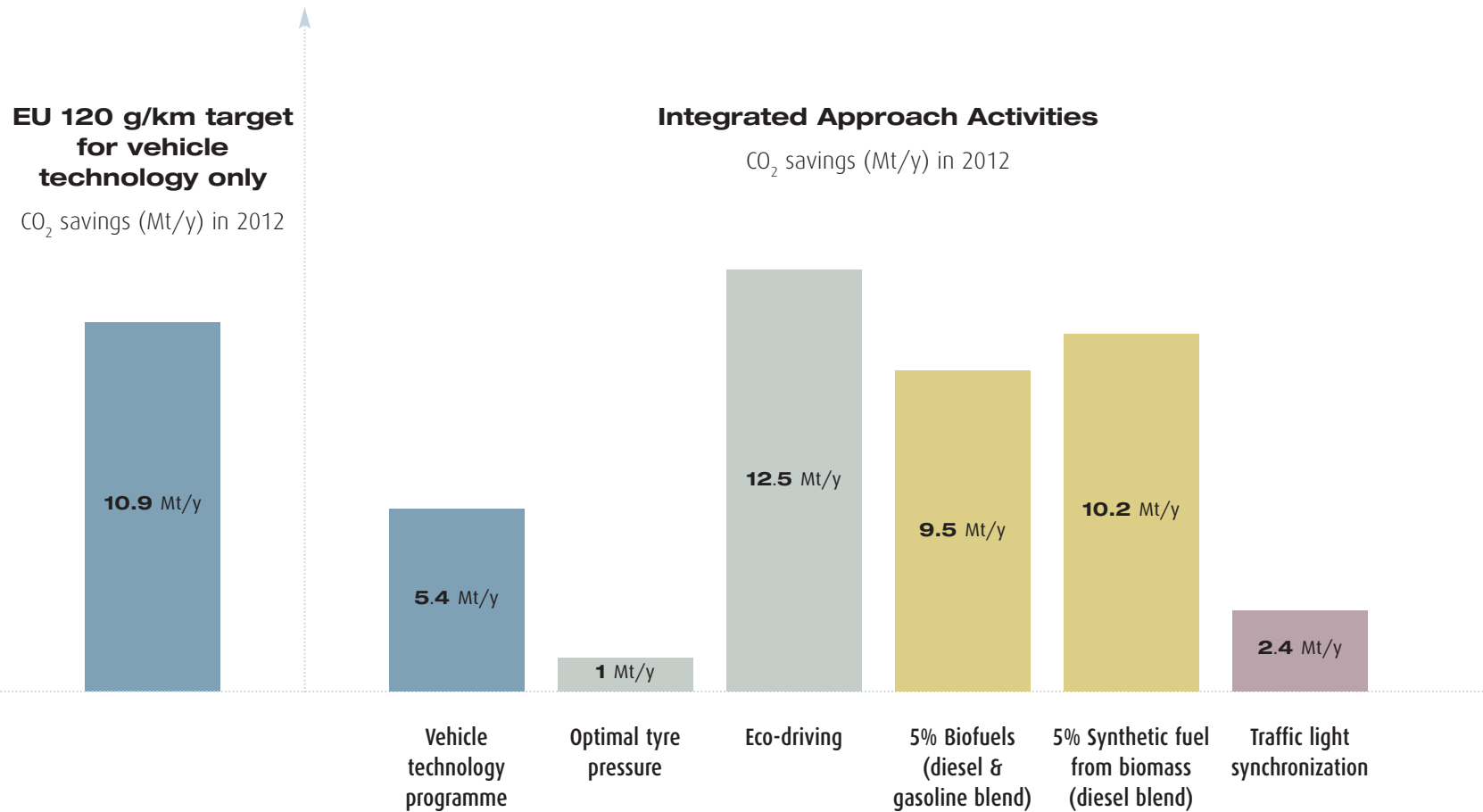
- ⚙ Further increase market penetration of CO₂ efficient technologies
- ⚙ Further increase market penetration of new technologies for alternative fuels
- ⚙ Support eco-driving activities
- ⚙ Consumer information

- ⚙ Further increase market penetration of alternative fuels
- ⚙ Support eco-driving activities

- ⚙ Improve road and traffic management infrastructure
- ⚙ R&D support for vehicle technologies and alternative fuels
- ⚙ Support eco-driving activities
- ⚙ Consumer information

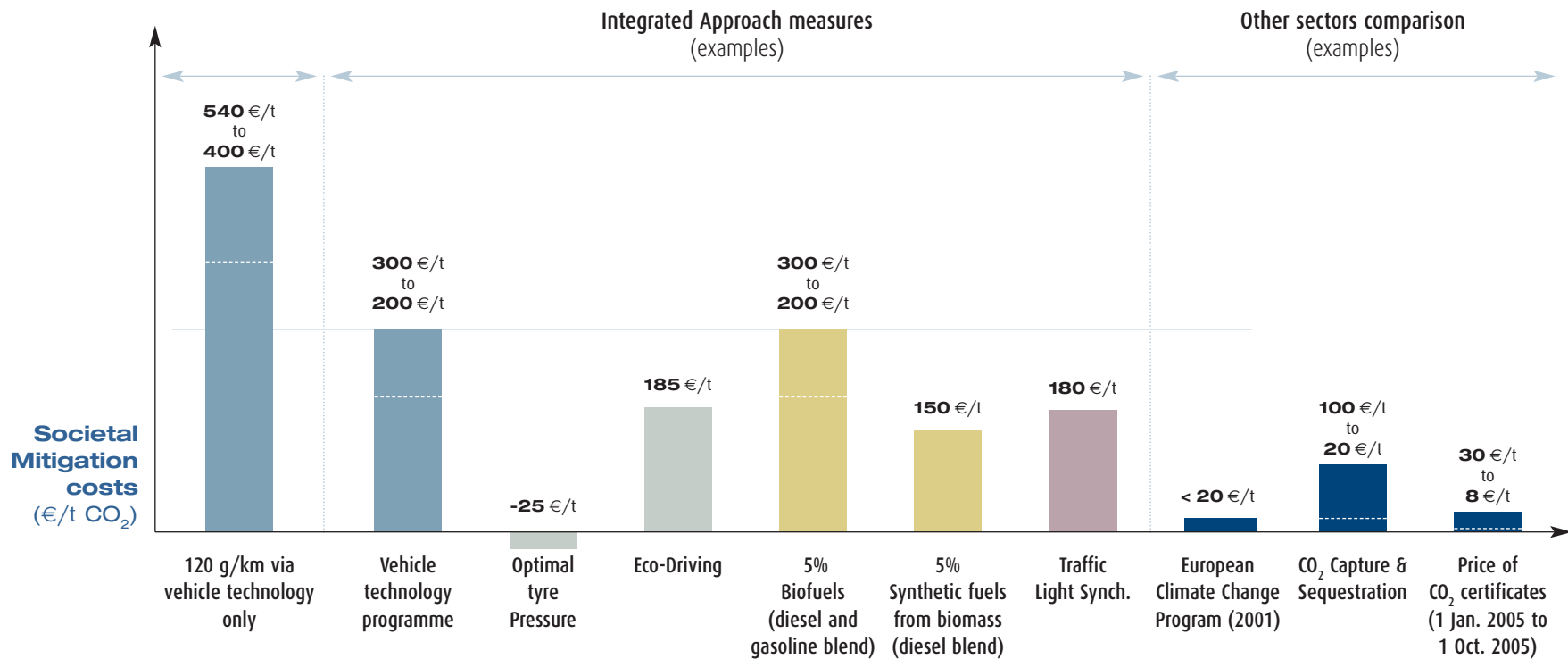
4 An Integrated Approach to meet the CO₂ Challenge

Step 2: **Identify and compare the costs and CO₂ reduction potentials of these activities** (data are indicative only)



4 An Integrated Approach to meet the CO₂ Challenge

Step 2: Identify and compare the costs and CO₂ reduction potentials of these activities (data are indicative only)



- Integrated Approach enables inclusion of activities to reduce passenger car related CO₂ emissions with lower societal mitigation costs.
- In other sectors much lower societal mitigation costs.

4 An Integrated Approach to meet the CO₂ Challenge

Step 3: Identify measures to promote the most cost-effective activities (EXAMPLES)



- ⚙ Further development and market penetration of CO₂ efficient conventional and alternative technologies
- ⚙ Fitting of gear shift indicators and fuel economy indicators
- ⚙ Improvement and increased fitting of low friction tyres
- ⚙ Measures to optimise tyre pressure
- ⚙ Support common initiative to educate drivers on eco-driving

- ⚙ Further increase market penetration of alternative fuels
- ⚙ Development and maintenance of appropriate tyre inflation infrastructure
- ⚙ Support common initiative to educate drivers on eco-driving

- ⚙ Investigate fuel taxation impact on CO₂ emissions
- ⚙ Shift basis of annual car taxation to CO₂
- ⚙ Invest to improve road and traffic management infrastructure
- ⚙ R&D support for new technologies and new fuels
- ⚙ Support initiatives on optimal tyre pressure
- ⚙ Support common initiative to educate drivers on eco-driving
- ⚙ Ensure consistency of existing legislation (consider trade offs with other political aims)

5

Status of the CO₂ issue

- The Integrated Approach was accepted as a suitable way forward within CARS 21
- The Commission is investigating the Integrated Approach within the European Climate Change Programme II
- ACEA will actively participate in the stakeholder consultations
- The Report will be finalised April/May 2006
- A revised EU strategy on car CO₂ emissions is expected in September 2006