

## The Road to Kyoto

### 17<sup>th</sup> Technical Meeting of the Automobile Club d'Italia

#### Passenger Car-Related CO<sub>2</sub>: a manufacturer view of progress and trends

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#### Abstract

The presentation will contain:

- An overview from the manufacturers' point of view of current political measure
- How CO<sub>2</sub> reductions from passenger cars have been progressing;
- What potential exists for further reduction and the costs involved;
- How an Integrated Approach to meet the CO<sub>2</sub> challenge could help achieve the objective;
- Conclusions and future expectations;

Current political measures are made up of four main elements.

- *Car industry commitments* - with a target of 140 g/km of CO<sub>2</sub> average for 2008/2009.
- *Consumer information* - on fuel economy of vehicles and CO<sub>2</sub> emission labelling of cars in showrooms.
- *Fiscal measures* - including fuel taxation and vehicle taxation measures to reduce CO<sub>2</sub>.
- Finally there is *R and D* support through the 6<sup>th</sup> and 7<sup>th</sup> Framework Programmes

The ACEA commitment has resulted in a fall of average CO<sub>2</sub> from 185 g/km in the base year of 1995 to 161 g/km in 2003. The 2004 results should be available soon. Further vehicle technology measures beyond 2008 have limited CO<sub>2</sub> impact but very high cost.

An integrated approach for reductions of car-related CO<sub>2</sub> emissions will achieve more & lower costs. This approach will require action by automobile manufacturers and suppliers, the fuel industry and policy makers. A three step approach is recommended.

1. to identify potential activities to reduce CO<sub>2</sub> emissions with all stakeholders
2. Identify and compare the costs and CO<sub>2</sub> reduction potentials of these activities
3. Identify measures to promote the most cost-effective activities.

In step 1, the automotive industry could for example: further increase the market penetration of CO<sub>2</sub> efficient technologies, increase the market penetration of new technologies for alternative fuels, support eco-driving activities and provide consumer information. The fuel industry could: increase the penetration of alternative fuels and support eco-driving activities. Policy makers could: improve road and traffic management infrastructure, give R and D support for vehicle technologies and alternative fuels, support eco-driving activities and provide consumers with good information.

The effects of CO<sub>2</sub> reduction potential differ markedly perhaps by as much as a factor of ten. These effects need to be clearly identified in step 2. As well as the effects, the costs of these activities also need to be identified and compared, as these vary widely too. Only when both costs and effects have been clearly identified can the best activities be identified in step 3 so that they can be promoted.

The Integrated Approach was accepted as a suitable way forward in CARS21. As a result, investigations will be carried out on the Integrated Approach within the European Climate Change Programme II. ACEA will actively participate in the stakeholder consultations envisaged in this process. The report on these investigations are expected to be finalised in April or May 2006. A revised EU strategy on car-related CO<sub>2</sub> emissions is expected in September 2006.