

# Vice-President Šefčovič at the 67th International Motor Show 2017 (IAA)

Speech by Vice-President Maroš Šefčovič, in charge for Energy Union, at the CLEPA (European Association of Automotive Suppliers) stand, at the 67th International Motor Show in Frankfurt am Main

Ladies and Gentlemen,

It is a pleasure to be with you for the opening of this year's International Motor Show – the largest and perhaps most important event of its kind in the world.

It is incredible to realise that it has been 120 years since the first IAA. Such an anniversary is an opportunity to reflect back on the impact of the automobile industry: back to the time when horses and carriages were replaced by “automated mobile machines”. The constant progress in the automobile world shaped the course of the 20<sup>th</sup> century.

- It emancipated job seekers and brought them (literally) closer to the labour market;
- It changed the nature of our commerce and trade, the structure of our cities and suburbs.
- It restructured global trade and geopolitics with the rising demand of oil.
- It created an industry of an unimaginable size, where Europe is a huge player.
- But it also brought about devastating side effects, like car accidents, air pollution and climate change.

This 67<sup>th</sup> International Motor Show is therefore also an opportunity to think about the future; about the next century and the role that automobiles will continue to play in our lives, in our economies, in our environment, within our climate.

As President Juncker pointed out in the State of the Union yesterday, it is essential to invest in the cars of the future to keep Europe at the forefront of innovation and digitisation. To this end, President Juncker announced a new industrial policy strategy.

So, we have great reasons for being optimistic about this future. As we all know, the word ‘automobile’ is being redefined. What used to be automatic will be autonomous. The original word meant a ‘self-propelled motor’ but for our children, it will be about self-driving.

This is clearly the spirit here, with the motto of this year's conference being “Future now”. It is enough to look around this conference to see that the future is being invented, presented, and implemented right here, right now.

I am convinced that the European car industry can pave the way of the global transition to clean and connected mobility. I am convinced that Europe can become THE continent of smart and clean car infrastructure. We are better equipped to make that giant leap than any other part of the world.

Just in the past few days and weeks we've been hearing from companies like Daimler, VW, Volvo, or BMW about their ambitious stepping up their shift to electric cars. We have also been hearing from more and more national governments who set themselves ambitious targets on the share of clean cars on their roads or cities announcing a future restriction on diesel cars altogether.

This is very reassuring to the citizen that has come to realise also that things need to change. It shows that Europe is on the right track. But we need to accelerate this process or we will be overtaken by others.

To put it in a wider context, the European Commission set the objective of reaching a socially fair transition towards clean, competitive and connected mobility for all. So this is our finish line. Now the question is how do we get there – and how do we get there first so we enjoy the first mover's advantage.

A lot is at stake. The automotive sector employs no less than 12.6 million Europeans, who make up almost 6% of our workforce or 11% of EU manufacturing employment. We are also talking about over 11 million Europeans who work in the transportation, accounting almost 5 per cent of EU GDP.

The framework we put in place includes all sorts of measures, including legislation, funding, and steering platforms. Many of those were explained in detail in the legislative packaged we presented before summer, titled: "Europe on the move".

We are in the midst of preparing a second mobility package for later this year which will include new carbon dioxide standards for cars and vans, modernisation of public procurement rules for green vehicles. It will also assess alternative fuels infrastructure amongst other. Finally, next year we will conclude with a third package, this time covering CO2 emissions standards for heavy-duty vehicles, and addressing safety features of road infrastructure.

Let me focus for a moment on our proposal on CO2 emission standards for cars and vans. Rolling out low and zero-emissions vehicles in Europe is critical if we are to stay competitive on the global market – and at the same time reach our climate targets. We are currently considering different possibilities on how to reach this goal in the most cost-effective and technologically neutral way. And of course the devil is in the detail.

I have mentioned funding, and indeed we are blending grants and financial instruments in order to support the infrastructure for alternative fuels, connected and automated driving, as well as research and innovation of batteries. These financial sources include the Connecting Europe Facility, Trans-European Transport Networks, Horizon 2020 etc.

But this transition is not only about being the best in the world but also about being the most fair and inclusive. That is why we are also looking into how to smoothen the transition through our Skills Agenda, as well as promoting initiatives and cooperation between European Cities.

Ladies and Gentlemen,

I have mentioned some of the major milestones of the past and some of the ambitious objectives for the future. But I will not conclude without addressing also the big elephant in the room: the emission scandal.

Consumer and public trust have been badly hurt. We must still act collectively to restore this trust. It is now up to concrete and decisive measures by authorities at all levels, and most importantly: by the automobile industry itself.

We, at the Commission, reacted swiftly to the weaknesses which were identified in the Type Approval framework and emission testing. We are reviewing applicable legislation and implementing a broader European strategy for Low Emission Mobility.

Member States like Germany, France and The Netherlands are investigating irregularities on their territories. We are tightening our cooperation in coordination of the next steps.

I am not sure I can say that the industry itself has done as much to regain consumer trust. That is not for me to judge. European citizens have the right to receive clear answers, not only from the relevant regulatory authorities but also from their car-manufacturers. Beyond answers: they should receive acceptable solutions. In the US they received compensation, in Europe they received an apology. We cannot put this story behind us without a proper and fair closure. I am confident we can reach one. We are monitoring this closely to ensure all mistakes are fixed, starting with the software updates. As the Commission President said yesterday, car industry must come clean and make it right. They should invent the world-class clean cars of the future. That would be the most convincing response.

Let us be and stay proud of our car industry in every single aspect.

Ladies and Gentlemen,

Now I am myself impatient to visit the stands and discover the latest inventions in this New Mobility World.

Let me therefore conclude by thanking you for bringing your latest technologies and innovation to present them here in Frankfurt. This international event is a fascinating display window to Europe's extraordinary automobile industry.

There is no way of visiting this place without feeling a sense of pride of Europe's innovation and industrial force. This is thanks to all of you, present here!

Thank you.