Meeting with President of ERTRAC and CEO of Hidria

26 October 2018

Symposium on Mobility, 26 October, Slovenia

Member of Cabinet responsible: 
Member accompanying: 
DG participant(s): (including contact number):
INTRODUCTION

SCENE SETTER

You will meet the "President" of ERTRAC - [redacted], the Chairman of the Executive Group and the "CEO" of "Hidria" [redacted], joint Managing Director of Hydria Holding.

The European Road Transport Research Advisory Council (ERTRAC)

ERTRAC brings together road transport stakeholders to develop a common vision for road transport research in Europe. It is recognised and supported by COM. ERTRAC defines its tasks as: (i) providing a strategic vision for road transport research and innovation in Europe; (ii) defining strategies and roadmaps to achieve this vision through the definition and update of a Strategic Research Agenda (SRA) and implementation of research roadmaps; (iii) stimulating effective public and private investment in road transport research and innovation; (iv) contributing to improving coordination between the European, national, regional public and private R&D activities on road transport; (v) enhancing the networking and clustering of Europe's research and innovation capacities; (vi) promoting European commitment to research and technological development, ensuring that Europe remains an attractive region for researchers, and enhancing the global competitiveness of the transport industries; (vii) supporting implementation of Horizon 2020.

Hidria

Hidria is a leading European and global corporation in the field of automotive and industrial technologies. It sells products in 55 countries, with the main markets being Germany, Hungary, France, Great Britain, Italy, Asian and US market and domestic market in Slovenia. It employs over 1,800 people in companies in Slovenia, Germany, Hungary and China. Hidria as a member of Clepa (European Association of Automotive Suppliers) is involved in the ERTRAC activities.

OBJECTIVES

• To reassure ERTRAC and Hidria that DG MOVE is aware of the success of projects funded under H2020 and will continue to pursue innovative transport solutions in the future work programmes under Horizon Europe.

SPEAKING POINTS

GENERAL / INTRODUCTION

• I have noted the ERTRAC "Vision for Road Transport Research" (as laid out in the document you supplied for this symposium / this meeting [cf. document at annex]). I can broadly agree.
• We share the ERTRACs vision of seamless and emission-free mobility for people and goods, based on renewable energy, and reducing accident rates to zero.

• And, I fully agree on the need for road transport research if we are to realise that vision.

• We need to keep in mind that to get to the long-term vision, we need to manage the short-term. We thus need to ensure that European R&I support is well-targeted and effective on the next steps of the transition. We need effective transition from R&I to deployment support.

**SUPPORT FOR RESEARCH**

• I want to see European industry remaining a world leader in innovation, production and services. I thus accept and support the need for continuing research on road transport.

• Support - and funding - may come from a variety of sources: private, public or a mixture of the two.

  **Business / Privately-led Research**

• The automotive sector, a large employer in Europe, has always been a heavy investor in research – on average 4% of its income.

• We welcome the ambitious strategies and large-scale investment programmes presented by automotive original equipment manufacturers (OEMs) over recent months.

• These investments respond to consumer needs. We need more low- and zero-emission vehicles to meet real consumer needs and choices.

  **Public-Private Partnerships**

• Partnerships, including public-private partnerships (PPPs), have a history of delivering. Your paper points to the success of the European Green Vehicle Initiative (EGVI) [see Background Notes].

• COM is currently working on the next long-term EU budget. This includes work / deliberation on the role and relevance of public-private partnerships.
• It is currently premature to discuss the continuation of any particular existing partnership. So, no promises today about the continuation of the ECVI cPPP.

• However, in general terms, we favour a partnership that works towards zero emissions transport. If transport system innovation is to be delivered and implemented effectively, a partnership should consider key issues of system innovation (including infrastructure and services) and real deployment conditions.

• Further, I hope to see a partnership on automated and autonomous vehicles. This topic is important enough to warrant a "stand-alone" partnership. The scope of such a partnership should go beyond vehicles alone and include infrastructure.

   H2020 and Horizon Europe

• As a public body, COM will continue to support research.

• I am aware of the excellent results obtained from projects in which ERTRAC members have participated in H2020. There will certainly be opportunities for ERTRAC’s involvement in future work programmes.

• For its part, COM will continue efforts in favour of decarbonisation and digitalisation. We want greater transport system efficiency (including modal shift, multi-modality, etc.), the promotion of low-emission alternative energy forms and an accelerated uptake of low- and zero-emission vehicles

• Our Horizon Europe proposes €15 billion in funding [cf. Cluster 4 of Pillar 2 – Climate, Energy and Mobility].

Here [cluster 4] we see several headings (industrial competitiveness in transport, clean transport and mobility, smart mobility, energy storage) under which ERTRAC members can access EU funding for research.

   MOBILITY PACKAGES

• Your vision paper for road transport research mentions a number of areas that are directly relevant to our current Mobility Package proposals – and on these would welcome support.
Let me highlight a few examples.

- We are working on developing an alternative fuels infrastructure, including related electro-mobility facilities. Clearly work is still needed on issues such as improved battery technology. (Moreover, at this stage, we still see room for all (alternative) fuels. In 2030, a large number of vehicles will probably still be conventionally fuelled, so increasing conventional fuel efficiency also remains important consideration - with research implications.

- We have also proposed action on road charging, not least because road pricing can be a fair and effective way to guide user behaviour and ultimately lead to economically efficient emission reductions. In the future, it should be possible for Member States to exchange information on toll offenders (this should help the development of free-flow tolling systems) and the inclusion of automatic number plate recognition in the scope of the EETS Directive could be a step towards seamless mobility services.

- To take a final example that is high on my agenda – road safety. This should have a prominent place in transport research. Some of the areas on which we could concentrate are: (i) developing road safety strategies built on the Safe System approach with multiple layers of protection; (ii) responding to new mobility patterns (e.g. electro-mobility or vehicle-sharing schemes or social changes associated with ageing populations; (iii) the safe deployment of automation (interaction between humans and automated vehicles fitted with complex human-machine interfaces; (iv) cheap and effective methods for alcohol and drug detection

- By combining our efforts over sectors and disciplines, we can respond successfully to the challenges of our - changing - times.
How will Horizon Europe support research in the automotive sector?

- Horizon Europe will focus on policy-relevant support, basic research and support to innovative companies. Transport will be addressed from a multimodal, system-driven perspective, focussing on achieving EU objectives.

- The COM proposal foresees that Cluster 4 of Pillar 2 of the proposal – Climate, Energy and Mobility – should receive €15 billion in funding. Within that cluster there are several headings (including industrial competitiveness in transport, clean transport and mobility, smart mobility, energy storage) under which ERTRAC members could apply for EU funding.

Why has COM not proposed prolonging the Green Vehicles cPPP under Horizon Europe?

- COM has not yet decided on any concrete partnerships. The Horizon Europe legal framework proposes only the general conditions to be met by partnerships.

- Concrete ideas for partnerships will be proposed as part of the strategic plan (end 2018), followed by legal proposals for joint undertakings at a later stage.

Will COM propose a new Joint Undertaking for CCAM under Horizon Europe?

See answer above.
BACKGROUND INFORMATION

1. **ERTRAC**
   
   *See Scene-Setter.*

   **ERTRAC Vision for Road Transport Research – see annex.**

2. **Hidria**
   
   *See Scene-Setter.*

3. **European Green Vehicle Initiative (EGVI)**

   EGVI is a public-private partnership based on Article 19 of the Horizon 2020 Regulation setting out a contractual arrangement between COM and the private sector. The private side of the PPP is represented by the European Green Vehicles Initiative Association (EGVIA). The role of the Association is to engage in the contractual PPP with COM and collaborate with COM services responsible for implementation of Horizon 2020 on research, technological development along the value chain, and demonstration.

   The estimated EGVI budget is €1.5 billion (EU contribution €750 million from Horizon 2020 programme budget; industrial partners €750 million).

   **Objectives and Scope**

   The scope of the European Green Vehicles Initiative focuses on the energy efficiency of vehicles and alternative powertrains in the road transport sector. It covers several types of road vehicles, from passenger cars, trucks and buses to two-wheelers and new vehicle concepts. The topics addressed within the EGVI PPP need to respond to this goal of energy efficiency of vehicles and alternative powertrains. They concern all the technologies required at various product layers - from modules to systems and vehicles, as well as the integration of resources and the integration into the infrastructures. The objective of this integrated approach is to cover the entire process chain from resource application to demonstration and creation of services, and to extend research and development to innovation.
Figure: The scope of the EGVI PPP – examples of technology content.
ANNEXES

CV of ERTAC Chairman -