

**Operational conclusions:**

**DG GROW and DG CLIMA to prepare mapping and joint assessment of requested regulatory flexibility, demand side measures and financial support in order to design a contribution to the recovery package for the automotive sector**

Meeting ACEA/CLEPA, OEMS with VP Frans Timmermans and Commissioner Thierry Breton

**Introductory remarks**


**EVP Timmermans and Commissioner Breton**

EVP Timmermans underlined the importance of the automotive industry sustainable future. He indicated that funds can be made available to:

- Save jobs,
- Increase resilience,
- And to make sure the recovery is in line with the 2050 objective of carbon neutral Europe.

He indicated, that Industry is already on the right path, and that he will work on regulation and investment. EVP Timmermans made clear Commissioner Breton and him are on the same page. Green Deal is a cornerstone of the Commission policy.

Commissioner Breton, underlined the need to organise ourselves and think in line with the ecosystems concept. The discussion today is important to get a feedback, to understand the needs, to see what we do with stocks and how we accelerate with green ambition. Commissioner Breton referred to the ongoing assessment of the situation with MS and indicated the discussion will be important to understand the scale of the repair needed. He also indicated the ongoing reflection on the appropriate recovery fund.

 ACEA .

Presence of 15 CEOs representing almost automotive value chain shows importance of the matter. Collective goal – how to work on Green Deal. Automotive represents 14 millions workers, 30% of the R&D spending in the EU. This means the automotive industry will have an impact on how we shape the future.

Regulation (EC) No 1049/2001, Article 4(2) first indent

 Scania,

Regulation (EC) No 1049/2001, Article 4(2) first indent

ZF

Regulation (EC) No 1049/2001, Article 4(2) first indent

**I. Regulatory deadlines**

JaguarLand Rover

Regulation (EC) No 1049/2001, Article 4(2) first indent

Regulation (EC) No 1049/2001, Article 4(2) first indent

Man

Regulation (EC) No 1049/2001, Article 4(2) first indent

**EVP Timmermans.**

We must see all these measures altogether, not individually. I asked my services to map the correlation between all the measures (regulatory deadlines and demand side support). We shall not to divert from the path we have taken. You need to help us do mapping.

**Commissioner Breton**

We make all efforts to understand all implications of the crisis; you need to continue working with services and provide as much info as possible. We will examine your requests keeping our policy objectives in mind. Underlines symmetry of view with EVP Timmermans. We are speaking to MSs on type approval and will come up with easy to apply solutions. Decisions will be taken without delay on all your requests.

Regulation (EC) No 1049/2001, Article 4(2) first indent

**II. Green Deal**

Daimler

Regulation (EC) No 1049/2001, Article 4(2) first indent

Regulation (EC) No 1049/2001, Article 4(2) first indent

CNH

Regulation (EC) No 1049/2001, Article 4(2) first indent

Bosch

Regulation (EC) No 1049/2001, Article 4(2) first indent

**Commissioner Breton**

Thank you for the dedication. We know the extreme difficulty you are facing in these difficult times. We need to evaluate first the needs, the repair part, taking into account the backlog you mentioned. Then we have to estimate the lack of investment that you will suffer, that is huge. In our recovery plan, we will take into account this lack of investment and we will try to add what we believe is needed (investment of supply chain, charging and refuelling infrastructure, investment in alternative technologies (batteries, H2, etc). We are technology neutral, look for variety of technologies.

**EVP Timmermans**

On infrastructure, we are now thinking of 3 million of charging points. We are technology neutral but do have a preference for our Battery Alliance to succeed and we do see a future for hydrogen in Europe for energy storage and for different forms of transports. We are not yet there with synthetic fuels. We mainly think about them for aviation than road transport. A mix of technologies will be needed for road transports. Your engineers and our scientists need to re-evaluate facts together to get it right. No pre-cooked ideas on technology. Transformation in cities is an opportunity for you.

**III. Relaunch strategy**

Toyota Europe

Regulation (EC) No 1049/2001, Article 4(2) first indent

DAF

Regulation (EC) No 1049/2001, Article 4(2) first indent

Faurecia

Regulation (EC) No 1049/2001, Article 4(2) first indent

#### **IV. Conclusions**

##### **Commissioner Breton**

Coordinated approach is needed, not least for the sake of internal market.

Time is important. An EU scrapping – could be a signal that automotive is on track with green deal; agree we should not export dirty cars so scrapping is needed and I will push as much as I can.

Skills – no doubt a cornerstone of recovery. Welcome your recommendations for skilling/reskilling.

Working with Commissioner Schmit. Recovery strategy will be discussed at COMPET Council on Friday.

##### **EVP Timmermans**

I heard you loud and clear: speed, speed, speed. In reacting quickly we have to ensure that we do not create serious problems for the internal market – also MSs should help us – MFF, Recovery Fund; otherwise asymmetric recovery will happen. Speed is also needed at EU level.

We have an opportunity to modernise the fleet. In 2008, scrapping schemes were successful but did not steer a lot on quality (success of SUVs). This time scrapping schemes have also to deliver on CO2 reductions.

Urban areas, refurbishing – need to integrate into this renovation wave - infrastructure.

We support resilience, we are with you, we need to act quickly.

Encouraging to hear the discussion, concrete measures, common approach. Let's not forget that we have also to solve the issue of stocks that is clogging up the supply chain. Existing vehicles, regardless of technology/brands are much less polluting than older ones. We have to deal with existing stock of vehicles that amount to up to 6 to 8 months of supply. A short term stimulus is needed for this immediate problem. A medium term should address electric vehicles and infrastructure.