



On the debate about a ban on new cars with combustion engines

Position paper

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According to the current will of the EU Parliament, no more passenger cars and light commercial vehicles with combustion engines may be sold in the European Union from 2035 onwards - which would practically amount to a ban. The environment ministers of the EU countries, on the other hand, recently spoke of climate-neutral new cars, thus opening a back door for cars that are fuelled with e-fuels. A final compromise in the EU is thus still pending. Global Energy Solutions appeals to all those in positions of responsibility to stick to the position they have now found. Worldwide, there are currently about 1.3 billion vehicles with combustion engines, and the trend is rising. Electrification on this scale is out of the question. In addition to electric cars, there will still be vehicles with internal combustion engines for a very long time. Climate-friendly e-fuels are an important part of the solution. A decision against the internal combustion engine would violate the principle of technological openness and put Germany and Europe economically on the sidelines.

It is difficult to understand how the European Parliament allowed itself to be pressured into abandoning the idea of the innovation potential of open markets and the prosperity-promoting role of technological openness and no longer pursuing the concept of the internal combustion engine. Historically, Germany has made a decisive contribution to the development of the internal combustion engine, for example through Rudolf Diesel and Nicolaus Otto. German technology is still the world leader in this field in terms of performance, efficiency and environmental friendliness.

Today, the European vehicle population represents only a little more than 20 percent of the worldwide population, and the share will continue to decrease. This makes it all the more important to maintain and expand our position on the world market. Even with a consistent introduction of electromobility in Europe, it remains a strategic requirement to be able to develop technologies that achieve the same purpose of environmental compatibility and resource conservation and to offer them worldwide. This requires openness to technology, also for our own, the European market. The decision of the EU Parliament to approve the Commission's proposal for the de facto abolition of the internal combustion engine in the EU from 2035 for passenger cars and small commercial vehicles represents a drastic break for Germany and Europe as a technology location.

If this position were to prevail, it would be a fatally flawed decision that would not only be detrimental to climate protection, but would also have negative consequences for industry and geopolitics. The decision of the EU parliamentarians, which is characterised by insufficient knowledge and partly also by ideology, would take its revenge in the 2030s. The consequences for the industry are obvious and already noticeable: chairs for internal combustion engines (VKM) have too few students and some are closing, suppliers are developing new business models (as far as possible), production facilities are being relocated to Asia or America.

Today, the world has 1.3 billion vehicles with combustion engines; by the middle of the century, the number is expected to reach 1.6 billion. This existing fleet must be transformed inexpensively in the direction of climate neutrality. This is of central importance for the global climate issue. We are talking about more than 5 billion tonnes of CO₂ per year. In Africa alone, the population will increase by 1.2 billion people by 2050. In each of the next three decades, the world will add the size of the EU's population. It is illusory to think that the justified demands for more quality of life and mobility of all these people can be satisfied with just one technology. Last but not least, construction will have to take place on a gigantic scale.

The backbone for all these processes is a mobility that will be based on combustion engines, because there will be neither the grids, nor the green electricity, nor the charging stations, nor the critical raw materials for batteries and drive technology. And there will certainly not be the global subsidies for individual vehicles that will be used in our country. In Africa, a large family could live well on such a subsidy for one vehicle for a whole year. Here, too, the further process towards electromobility will become even more painful when "printing money" will no longer be a solution for further developments in the financial sector.

The decision on CO₂ fleet regulation for trucks must urgently be steered in a different direction in the coming twelve months. The aim must be to increase the opportunity to invest in large-scale production of e-fuels. The idea of a crediting mechanism for synthetic, renewable fuels as climate neutral has unfortunately also been rejected by politicians so far. It is urgently needed to achieve the climate targets. Without planning certainty over many years, no one will be able to make the necessary investments.

In the future, GES will strive, in close cooperation with other stakeholders and associations, to introduce the possibility of using synthetic fuels in the legislative proposal expected in the fourth

quarter. In order to be successful, we need the support of leading personalities from science, technology and politics as well as the approach of the respective local Members of Parliament (MEPs). We are preparing corresponding activities and constructive proposals. Please feel free to contact us with any questions or comments. Sometimes it is a matter of fate. In the case of the internal combustion engine, this point has now been reached.