

November 11, 2021

## **German Automakers Driving Opposition on Climate Policy**

*New analysis of auto sector reveals the extent of policy pushback*

**BMW** has emerged as one of the German auto sector's leading opponents of ambitious climate policy, with new documents revealing the extent of the company's lobbying against EU plans to phase out internal combustion engine (ICE) vehicles.

The InfluenceMap *analysis*, which is based on a mix of publicly available data and documents obtained through Freedom of Information (FOI) searches, appears to undermine the carmaker's recent 'green' PR campaigns.

While BMW's anti-climate lobbying is the most strident, it is not alone in pushing back against parts of the EU climate plan. The **German Association of the Automotive Industry (VDA)** appears to be siding with its most regressive members - such as **BMW** - resulting in a noticeable gap between it and **Volkswagen**.

*(A German version of the press release and report is [available here](#))*

The report demonstrates how the German auto sector more broadly has lobbied against two key policies - higher CO2 emissions standards for light-duty vehicles and ICE phase-out dates.

It also shows how the major auto industry associations - the **VDA** and the **European Automobile Manufacturers' Association (ACEA)** - appear to have coordinated their messages to push back against policies designed to promote a low-carbon modal shift.

With German government coalition negotiations continuing, the sector's contribution to the country's decarbonization plans – and therefore its climate lobbying behaviour – remains a critical issue in talks to form a government.

This week, both **BMW** and **Volkswagen** refused to agree to a COP26 pledge to phase out ICE vehicles **globally by 2040**. Daimler's subsidiary **Mercedes-Benz** did sign up.

The report shows:

- The CEO of **BMW (D)**, Oliver Zipse, who is also the President of ACEA, held a meeting with the EU Commissioner for Transport in June 2021, where the company argued that *“there should not be rules to extinguish the combustion engine”*. It also said regulations should not seek to ban any particular form of technology. Such negative engagement starkly contrasts with BMW's *global “sustainability” PR campaign* it recently launched in collaboration with Coldplay, which sought to link its brand to electrification.
- **Daimler (D)** has failed to publicly disclose its position on key climate policies, including CO2 standards for light-duty vehicles and international combustion engine (ICE) phase-out policies. However, it has historically advocated against key EU climate policies and is a member of several obstructive industry associations on climate.

- **Volkswagen (C)** has mixed but increasingly positive climate policy engagement, with an October 2021 position paper on German coalition negotiations appearing to *explicitly support* an EU 2035 zero-emissions CO2 target for the first time - the largest automaker yet to do so in Europe. However Volkswagen remains a key member of industry associations lobbying against Paris-aligned climate policy.
- The **German Association of the Automotive Industry (VDA) (E+)** urged the EU to reject both an EU 2035 zero-emissions CO2 target and a "de facto ban of vehicles with a combustion engine" in a *June 2021 letter to Frans Timmermans*, head of the European Green Deal. InfluenceMap's *2021 Climate Policy Footprint Report* also found the VDA to be the seventh most obstructive industry association globally on climate.
- The **European Automobile Manufacturers' Association (ACEA) (D)** has consistently advocated to weaken climate regulations, and has promoted a long-term role for ICE vehicles over electric vehicles. In a *July 2021 statement*, it opposed both an EU 2035 zero-emissions target and policies to phase out ICE vehicles. It has also made its support for higher EU CO2 targets conditional on increased EV infrastructure targets, according to a *May 2021 presentation* to EU Commission officials. However, it is noteworthy that it has consistently *supported* higher EV infrastructure targets.

The research demonstrates how German automakers have increasingly stated top-line support for a low-carbon modal shift - while their industry associations (ACEA and VDA) appear to have worked together to weaken key EU and German modal shift policies.

In 2020 EU consultation responses, both the VDA and ACEA opposed EU modal shift targets, identically stating that "more than 30 years of a transport policy based on a modal shift approach [...] has always failed".

The International Energy Agency (IEA) highlighted modal shift policies as being crucial to achieving Paris-aligned GHG emissions reduction pathways in its recent *Net Zero by 2050 report*.

The research also highlights how VDA's increasingly positive top-line public communications on climate contrast with its private lobbying to policymakers to weaken climate policy.

**InfluenceMap Senior Analyst Ben Youriev** said: "Decarbonizing the transport sector is a crucial part of limiting global warming in line with the goals of the Paris Agreement.

"Yet powerful players within the German automotive industry and their lobbyists are pushing back against efforts to achieve this.

"It's notable that the industry associations representing German automakers are taking a negative approach to climate policy that does not reflect the views of its more progressive members.

"The German auto sector clearly wants to convince the public it is going 'green', but its negative lobbying suggests it remains a powerful opponent of ambitious climate regulations."

The *German government* estimates that road transport accounted for 19% of the country's greenhouse gas emissions in 2020.

## German Automotive Sector & Climate Policy Engagement

Company/ Industry Association	InfluenceMap Score (A - F)	EU CO2 emissions standards for vehicles	ICE vehicle phase-out	Electric vehicle charging inrastructure	Low-carbon modal shift
	C	Yellow	Yellow	Green	Green
	D	Grey	Grey	Green	Grey
	D	Red	Red	Green	Green
	D	Red	Red	Green	Red
	E+	Red	Red	Green	Red

### KEY

■ Negative positioning and engagement    
 ■ Mixed positioning and engagement    
 ■ Positive positioning and engagement    
 ■ Undisclosed positioning and engagement

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***A full copy of the report is available for download here***

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### About InfluenceMap

InfluenceMap is a London-based think tank providing data driven analysis to investors, corporations and the media on issues related to energy and climate change. Our metrics for measuring corporate influence over climate policy are used by investors, including the global Climate Action 100+ investor engagement process.