

Speech by Beatrice Schell, Director T&E at

Ford of Europe event - **Towards Sustainable Mobility** - 6 February 2001

Good afternoon Vice President de Palacio, Mr Scheele, ladies and gentlemen,

It is a pleasure to address you here today on the topic of sustainable mobility. The fact that we are surrounded by the technology of the last century, lends particular weight to the **focus** of our discussion: the role and potential of innovative new technology.

It is usual for representatives from environmental NGOs, such as myself, to call for a comprehensive package of measures, to ensure that transport contribute positively to sustainable development. Today is no exception, technology alone will be insufficient, and new regulatory and market frameworks will be needed alongside improved technology. Furthermore, for 'sustainable mobility' to become a reality, current trends in vehicle growth and ownership need to be reversed. These elements are intertwined and my short intervention today will outline why we think certain technologies can facilitate a move towards sustainable mobility.

Private enterprise, of course, has always used technological breakthroughs to develop and pioneer new products and new markets. The last century's exploitation of the internal combustion engine by industry, led to our current age of private motoring. Indeed, the last century was as much the century of oil and car, as the previous century was of coal and the steam train.

Of course it was not just the technology that enabled this to happen. Henry Ford's use of assembly line production methods and his famous approach to

defining what the customer wanted – his car as long as it was black – was also key in making private motoring an affordable luxury. Equally important was the way in which politicians provided the infrastructure for his products and used his productivity as a cornerstone of a new economy.

Towards the end of the last century, it became clear that the framework we had created for the private car had led to some seriously damaging and long-lasting impacts on ourselves and our world.

The extent to which we have allowed ourselves to become dependent upon the internal combustion engine, and as a result oil, were only too apparent during the fuel price protests last year. The fact that they had such an immediate and profound impact only serves to underline the dependence we now have not only on oil, but on road transport. Moreover, this dependence brings with it problems of air pollution, accidents, and now climate change, in addition to creating congested roads. Like an addict suffering from the side effects of drug misuse, we stagger into this century unsure of how to cure our transport ills and yet still enjoy the benefits the car has offered us. Indeed, the impacts are so severe, that we need to do more than just learn to live with our addiction.

Mr Scheele has referred to some of these impacts and their severity in his speech. He also referred to his company's responsibilities for these impacts. Ford's contribution today is highlighting that it accepts these responsibilities. We understand this contribution as a signal that they are willing to take them seriously enough to redefine their business and products.

It is actually unsurprising that they do so. The cornerstones of our economy this century look likely to be very different than those of the last. Once again we face a new economy – but this one is not based around a physical transport mode –

unlike the ages of steam trains and private cars – it is based around a virtual one.

If Ford and the other vehicle manufacturers are to be of the same stature in this new economy, then their business must be shaped not by physical mobility – but as providers of accessibility services.

We therefore salute Ford's studious considerations of the adaptation of their business towards sustainability, which we define as accessibility rather than mobility. We are here to understand better how technology will help bring about shift from transport to accessibility services. The fact is that the fuel cell car will be for some time to come more expensive than an affordable luxury; and remain beyond the means of ordinary people. And this will be the case until a cheap fuel cell vehicle using hydrogen fuel derived from renewable energies can be attained; thus requiring a transition period for the technology. In the meantime, we **ALL** have an opportunity to change the private car mentality in a much broader way than the performance of the technology. Just as Henry Ford depended on widespread ownership of petrol cars for success last century, Ford company will depend on the marketing of accessibility services and car sharing this century.

Allow me to explain how we think the development of the renewable hydrogen fuel cell could be one element of the strategy towards sustainability. Its direct purpose is that it will be applied to cars and traditional public transport vehicles, eventually substantially improving their environmental performance.

More importantly, the process of developing the technology can also potentially foster a new vision of the car that gives it a role akin to public transport. Because of high unit costs, fuel cell vehicles would have to be - at least in part -

marketed as products for car sharing rather than ownership.

A pool of different cars, all powered by the fuel cell and shared among large numbers of people offers both mobility and convenience. But it also begins to blur the distinction between public and private transport and changes the perception of the car for both the public and manufacturer alike. In this vision, the car could become a tool rather than the final product and an aim in itself.

If the fuel cell is to be developed to a stage where it is a robust, commercially viable, mass produced powertrain, applicable to many uses not just cars, it needs considerably more work. It especially needs the tension over where and how the hydrogen is delivered, resolved. Other industries and investors therefore need to deliver their contribution to provide the infrastructure and *enable* the technology.

During the transitional phase, conventional internal combustion engine technology on the market may bring some benefits. As Mr Scheele rightly points out, fuel-efficient vehicles with a limited environmental impact are already available. The problem has been their market penetration and the relentless upsizing of cars and their engines that have offset many efficiency gains. This has been particularly acute in the marketing of the so-called Sports Utility Vehicles – SUVs - that are unnecessary and unsuitable for our streets. Not only that, but they are at the opposite end of sustainable mobility. While we are here to talk about the technologies of the future, we should also consider that SUVs are products of the past, and are in contradiction with the new business model that Ford is trying to promote.

Nevertheless, by planning to develop a fuel cell powered from renewable derived hydrogen – and in Ford's case senior executives recognising the catastrophic

environmental impacts of the SUV - the manufacturers seem to begin to face up to their responsibilities. They do need to do more, but we will encourage them to change and warmly welcome positive developments.

But the manufacturers are not the only ones who should hold up their hands and accept responsibility for reducing the impact transport has on us and our world. All of us share a responsibility to respond to the challenge of making transport give a positive rather than a negative contribution to sustainable development.

The fact that today I as Director of the European Federation for Transport and Environment - the voice of ordinary citizens' concerns over transport's impacts – share this platform with a senior executive of a major car manufacturer, and a member of the Commission, sends a strong message about **OUR** commitment to accept our responsibilities.

We know it is important that we bring forward a positive contribution to facilitate the partnership between all actors that will be necessary to meet the hard and pressing challenges of sustainable development and climate change.

We hope that all other actors accept their responsibilities with similar enthusiasm. For example we look forward to a revised Common Transport Policy from the Commission that facilitates a positive contribution from transport to sustainable development; and that defines the role of the fuel cells technology within that framework. We know that they are now aided by a Treaty that **requires** them to integrate environmental considerations into the new common transport policy; and we know too that objectives of the EU now include a high level of environmental protection. We hope that these treaty obligations will be reflected in the new framework Vice President de Palacio will shortly present, to allow us all to work in partnership.

When defining how this framework will facilitate technologies and their development, the Commission must attempt to break the old vicious circles of our fuel- and road-dependent society. We hope the Commission can **not only** provide the framework to support technologies that will transform the system; **but also** set out the policies that will bring about the necessary changes needed to achieve sustainability. This should involve setting sector specific goals and the necessary timetables to achieve these goals. Furthermore, these policies should reward those that behave in an environmentally responsible way and punish those that have an environmentally unsound behaviour.

Ladies and gentlemen, if we are to develop and apply the necessary package of measures I referred to at the start of my talk, we all need to bring a positive contribution. We will play our role as facilitators and also as objective critics.

If we are to get rid of our dependencies to unsustainable car use and oil we need more than a new technology to act as a methadone substitute. We all need to welcome and support all the treatments that together will break our dangerous and damaging addiction.

Thank you.