

Dialogue with policymakers

Automotive manufactures operate in a highly complex and regulated environment. As a source of employment and prosperity in many nations of the world, it is both necessary and legitimate for a company like the Volkswagen Group to play a role in shaping policies which impact on its business interests.

Focus on regulation of CO₂ emissions in Europe

In 2013, one key policy question facing the Volkswagen Group was the regulation of CO₂ emissions of passenger cars and light commercial vehicles in Europe. This issue also played a central role in our consultations with the German Nature and Biodiversity Conservation Union NABU, and in our dialogue with other influential environmental NGOs such as Greenpeace, German Environmental Assistance, BUND and WWF.

At an early date, we expressed our support for European policymakers' 95-gram target. At the same time we made clear that we consider super credits, a multiplier factor for particularly low-emitting cars, to be an intelligent instrument for the promotion of alternative technologies. Differences within the system of European institutions – as well as within the automobile industry – regarding a fair distribution of responsibilities complicated and delayed the process of finding a political compromise through to the end of the 2013 reporting year.

Lobby for environmental innovations

The Volkswagen Group is working to develop technologies that help customers save fuel in the daily operation of their vehicles – regardless of the driving cycle. "Off-cycle" credits for such environmental innovations may be included in the letter of EU regulations, but in fact have not yet been granted. Audi was the first to be in a position to apply for EU approval for an environmental innovation in 2013: its high-efficiency LED running lights. The approval process, however, was plagued with bureaucratic hurdles that could only be overcome through laborious discussions and lobbying efforts. This included organizing a dedicated workshop with the European Commission.

Commitment to infrastructure development

Natural gas plays an important role in the path to sustainable mobility as well as in the Group's fuel strategy. Acceptance for the technology, however, depends on transparent pricing, which can be compared across the board, and on expansion of the current filling station infrastructure. In pursuit of these aims we have again been actively involved in dialogue with policymakers and energy suppliers – although admittedly no major breakthrough has yet been achieved. In a project in Werlte, Germany,

which has attracted a great deal of attention, not least among policymakers, Audi has demonstrated the production of synthetic methane (natural gas) from surplus green power. The “e-gas” is fed into the natural gas network, making it available for fuelling natural gas vehicles (and other uses).

Promoting electric mobility

The National Platform for Electric Mobility (NPE) was founded by the German government as a broad-based stakeholder committee of experts. The Volkswagen Group has been involved in the NPE’s work from the outset, and 2013 was no exception. We support the political goal of making Germany a leading market for and a pioneering provider of electric mobility. At the same time, we are supporting the development of uniform technical standards. An agreement on a common plug system for AC and DC charging can be regarded as one successful outcome of this lobbying effort.

Trade policy positions

As a global player, the Volkswagen Group’s trade policy position is one of support for efficient global frameworks that provide transparency and planning certainty and foster international cooperation. In the reporting period, the spotlight was on EU free-trade agreements (FTA) under negotiation, in particular with the USA, individual ASEAN countries, as well as Japan and India. In the context of the negotiations, we represented our interests in improving market access, easing customs duties and restrictions and rolling back non-tariff barriers to trade and investment. We also focused on implementation of the completed FTA with South Korea, and we continue to observe its effects on both parties.

Positions on EU transparency projects

Currently the European Commission is working on a regulation regarding declarations of origin for ‘conflict minerals’ (e.g. gold, tantalum, tungsten, zinc). Along with other corporations and business groups, we welcome plans that will lead to more transparency in the raw materials sector, which is of particular importance to the economic development of the producing countries. It is necessary to ensure fair and non-discriminatory access to raw materials. We do not believe that piecemeal solutions applying only to specific raw materials or countries are productive. Multilateral initiatives which promote good governance are the preferred means of cultivating an effective and comprehensive solution.

Another European Commission project is the disclosure of “non-financial information.” In keeping with our own practice of many years, Volkswagen supports reliable and transparent sustainability reporting. Together with other companies and business initiatives, we point to existing frameworks and good practices and encourage their continued development. We believe that excessive disclosure requirements would lead to a disproportionate increase in effort without serving the ultimate purpose.

Relationships with political parties

Because political parties are key institutions in a modern democracy, they are fundamentally deserving of support. However, any attempt to sway democratic decision-making within a party by outside means, for example through financial contributions, is reprehensible. Volkswagen pays market prices to rent exhibition space at events held by political parties and party groups. In 2013, these payments (not “contributions”) ran to a total of €150,000 in Germany. An additional €110,000 was spent on advertising the Volkswagen and Audi brands in party-affiliated publications. Volkswagen does not make donations to political parties.