



Japan Local Government Centre, London

Monthly Report August 2011 (Germany) – Launch of large-scale ‘showcase regions’ for electro-mobility announced

In 2009, the federal government initiated the ‘national platform for electric mobility’ which included the target to have one million electric vehicles on the streets in Germany by 2020, powered by electricity from regenerative sources. First pilot projects have already been implemented in various cities and regions, among them Frankfurt, Berlin-Potsdam and the Rhine-Ruhr area (see Monthly Report November 2010). However in order to accelerate the development and make up for the lag in battery and other associated technology that the German automobile manufacturers have allowed to develop by abandoning most research into electric batteries in the 1980s, the federal government and the automobile and related industry are joining forces to implement large-scale pilot regions, in order to test a systemic, integrated approach. The goal is to demonstrate that Germany can not only build electric vehicles, but can come up with whole systems for electro-mobility: from solar carports and contactless charging to the recycling of car batteries. It is felt that the German automobile industry has fallen behind in battery technology to the US and the Japanese car makers – by developing, testing and demonstrating a whole systems approach, it is hoped that competitiveness can be regained.

This involves government funding of several hundred million Euros and is a quite unprecedented project, as federal government has rarely involved itself directly in industrial policy in this way. However energy policy is in some ways exceptional – after all, there is still a considerable subsidy being paid in regard to coal and lignite mining in Germany, and the recent decision to phase out nuclear power also has a huge impact on the energy industry.

To take things further, between three to five large-scale pilot regions, so-called ‘showcases’, will build on the approaches so far tried out in the smaller model regions, involving car manufactures, electricity producers, local authorities and transport providers. Because there was no requirement to co-ordinate between the model regions, some approaches have been tested doubly or in triplicate, meaning there is a good chance to compare and choose what works best.

As only a smaller number of the large-scale ‘showcase regions’ is planned, there is now fierce competition between the federal *Länder* to be selected. Naturally the big car producing regions in the South of Germany hope to be included; Berlin, led by Mayor Wowereit, is making this a priority project, but other areas such as Thuringia are also hoping to attract the designation. This is not only due to the appetite for the new technology and wanting to be at the forefront of a new era of mobility, but

certainly also connected in part to the public money available, which will result in much investment.

Although a lot of work is being done already in preparation, involving the *Länder*, automotive and related industries, as well as energy providers and universities and other research institutes, the official start of the selection process will be later in the autumn, when the criteria and conditions the 'showcase regions' need to fulfil will be announced. A jury will then select the most promising strategies - because a number of different federal ministries, namely for transport, for the environment, for the economy and the one for research, are engaged in a turf war over electro-mobility, a neutral body such as the federal finance ministry or the federal chancellery are being mooted for managing the process.

A decision on the 'showcase regions' is expected sometime early in 2012, with projects starting by summer 2012.

Germany is also using the chance to co-operate with Japan in regard to electro-mobility. In September 2010, the third German-Japanese Environmental Dialogue Forum was held in Berlin, and focussed in particular on electro-mobility. Topics discussed included smart grid integration, feeding electricity from renewable energies and battery technology, as it was felt that both countries have specific strengths in these areas and can learn a lot from each other. It is to be hoped that all these efforts will result in the creation of a more sustainable model of transport that is less reliant on fossil fuels and contribute to lowering the carbon footprint in both countries.

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