

Federal Environment Ministry provides 100 million euros funding for electrically powered vehicles

Momentum for German car industry and its suppliers

Electrically powered vehicles can help to reduce traffic-related CO₂ and pollutant emissions - in particular if the power is generated from renewable energy sources such as wind, hydro and solar.

The Federal Environment Ministry therefore issued a call for proposals for the funding of electric mobility today. Support will in particular be provided for refining and testing plug-in-hybrid and electrically powered vehicles, controlled loading and unloading processes in passenger and commercial transport and research and development in recycling of used vehicle batteries.

Furthermore, the Federal Environment Ministry supports the link-up of electrically powered vehicles with energy systems by means of information and communication technologies in the model regions of the E-Energy initiative and the purchase of diesel-hybrid buses by municipalities.

The Federal Government's target is to make Germany the leading market for electric mobility and put one million electrically powered vehicles on the road by 2020. A total of 500 million euros is earmarked for this purpose in the government's second economic stimulus package.

Power for electrically driven vehicles can be generated from a number of primary energy sources, thus helping to promote independence from oil imports and fluctuating petrol prices. Hence, the Federal Environment Ministry views electric mobility as a sector opening up vast opportunities for the automobile industry and its suppliers. Globally the leading economies are faced with increasingly stringent CO₂ and exhaust legislations. Moreover, after the experience with last year's elevated petrol prices, people buying a car pay much more attention to the running costs of their vehicles. Despite the fact that oil prices are relatively low at the moment, people are still well aware that they can quickly spiral upwards again once the world economy starts to pick up.