Media information

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Volkswagen takes over leading position for electromobility in China

- Volkswagen commits to increasing the e-car share in the Chinese market to 50 percent of total deliveries by 2035 at the World New Energy Vehicle Congress (WNEVC)
- Local R&D in China will be strengthened with more than 4,500 engineers working on future technologies
- Volkswagen CEO Dr. Herbert Diess: “The Chinese car market is of vital importance for Volkswagen’s e-offensive. We want to expand our leadership role through local partnerships and increased R&D work in the country.”

Volkswagen/Beijing/Boao, July 2, 2019 - Volkswagen is striving for the lead in transforming the auto industry towards electric mobility in China. This was endorsed by the CEO of Volkswagen AG, Dr. Herbert Diess, at the first World New Energy Vehicle Congress (WNEVC) in the southern Chinese city of Boao. The Boao Consensus, which describes the strategic results of the congress, foresees e-cars accounting for 50% of annual global car sales by 2035. Within the Chinese market, Volkswagen commits to that goal as well, making China pivotal for Volkswagen Group’s decarbonization strategy. Volkswagen intends to offer 14 electrified models to Chinese customers this year. By 2028, more than half of the Group’s planned 22 million electric cars will be produced in China. At the same time, Volkswagen is strengthening its local R&D. More than 4,500 engineers work on future technologies in the country.

At the congress, Herbert Diess emphasized the important role of the automotive industry on the way to fulfilling the Paris Climate Agreement: “China also relies on emission-free mobility under its clear commitment to the goals of Paris. In this transformation, we are playing a key role in providing a comprehensive range of e-vehicles and strengthening the private charging infrastructure.”

In his speech, Diess also underlined that a predictable and reliable legal and regulatory framework was necessary for the further development of electromobility. He expressly welcomed another opening-up of the country.
E-mobility is already booming in China. Last year, more than one million plug-in hybrids and purely battery-powered vehicles were sold. This makes China the world’s largest market for e-cars. The government is supporting e-mobility through comprehensive initiatives such as the expansion of the charging infrastructure and low electricity costs. In addition, more renewable energy is being harnessed to generate electricity.

As part of its e-mobility offensive, the Volkswagen Group plans to produce around 11.6 million e-cars in China by 2028: that is more than half of the Group’s global total target of 22 million. All three joint ventures - FAW-Volkswagen, SAIC VOLKSWAGEN and JAC Volkswagen - will contribute to this. As soon as the SAIC VOLKSWAGEN plant in Anting and FAW-Volkswagen plant in Foshan start producing MEB-based vehicles next year, the production capacity alone will be around 600,000 purely electric vehicles per year. In addition, JAC and SEAT are developing their own platform for smaller e-cars. Next year, around 400,000 electrified models from Volkswagen Group China will be delivered to Chinese customers. Thus, Volkswagen Group China will meet all regulatory requirements: the fleet consumption target of five liters in 2020 as well as the requirements of the credit system for the share of electric vehicles in total production.

The ecological footprint is to be further improved in all 33 Chinese production facilities of Volkswagen and its partners. In the past year alone, the CO₂ emissions of the Chinese plants were reduced by 13 percent, saving 390,000 tons of CO₂.

With a new joint venture, Volkswagen is aiming to improve the charging infrastructure. As a result, Chinese customers should be able to recharge their e-vehicle with even more flexibility and convenience - at home and on the move. As part of the cooperation between Star Charge, FAW and JAC, private wallboxes will be available from the end of this year and a large number of publicly available charging stations will be set up. The driver can quickly and easily find the right charging station, as users and charging stations are connected. This integrated connectivity solution is offered by Mobility Asia, a subsidiary of Volkswagen Group China that creates a digital ecosystem for all mobility applications.
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About the Volkswagen Group:
The Volkswagen Group, with its headquarters in Wolfsburg, is one of the world’s leading automobile manufacturers and the largest carmaker in Europe. The Group comprises twelve brands from seven European countries: Volkswagen Passenger Cars, Audi, SEAT, ŠKODA, Bentley, Bugatti, Lamborghini, Porsche, Ducati, Volkswagen Commercial Vehicles, Scania and MAN. The passenger car portfolio ranges from small cars all the way to luxury-class vehicles. Ducati offers motorcycles. In the light and heavy commercial vehicles sector, the products include ranges from pick-ups, buses and heavy trucks. Every weekday, 664,496 employees around the globe produce on average 44,567 vehicles, are involved in vehicle-related services or work in other areas of business. The Volkswagen Group sells its vehicles in 153 countries.

In 2018, the total number of vehicles supplied to customers by the Group globally was 10,831 million (2017: 10,741 million). The passenger car global market share was 12.3 per cent. In Western Europe 22.0 per cent of all new passenger cars come from the Volkswagen Group. Group sales revenue in 2018 totalled €235.8 billion (2017: €231 billion). Earnings after tax in 2018 amounted to €17.1 billion (2017: €11.6 billion).