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Check Against Delivery

Speech by Max Mosley, President of the FIA

'Choose ESC' campaign launch at the Bridgestone European Testing Centre Aprilia, near Rome, 8 May 2007

Dear Commissioner, Distinguished Guests, Ladies and Gentlemen

Over the last decade in my role as FIA President and, formerly as chairman of the Euro NCAP, I have been privileged to play a part in promoting better crash test standards in the European Union. The combination of EU legislation and consumer information has massively improved levels of occupant protection. This has made a substantial contribution to road safety in Europe. However, we also know that it would be better if crashes could be avoided in the first place. That is why a few years ago I was happy to work closely with former Commissioner Erkki Liikanen in establishing the eSafety Forum to promote intelligent crash avoidance systems. And that is why I am pleased now to serve together with Commissioner Reding as patron of eSafetyAware!.

Today we are launching 'Choose ESC', a new campaign to promote Electronic Stability Control, Europe's number one eSafety technology. ESC was invented here in Europe and is quite simply the most important safety device since the seat belt. Today a new study by Professor Baum of the University of Cologne reveals that as many as 4,000 lives could be saved each year by ESC and 100,000 injuries avoided. Clearly we must do everything we can to promote such an important life saving system.

This is now urgent because this year use of ESC in North America will overtake the EU. The most up to date production figures also show that by 2010 the use of ESC in the NAFTA area will have reached 82% whilst in the EU it will amount to only 61%. Of course, we all know the significance of 2010. It is the year in which the EU aims to reduce road traffic fatalities by half. And we also know that the EU is currently forecast to fail to reach this target.

Personally speaking I am shocked by the revelation that the US is making better use of Europe's number one eSafety technology. We need to ask some hard questions. Why is Europe falling behind? Why is this life saving technology not being spread more quickly through the vehicle fleet? What action should be taken across Europe to promote ESC?

Slow installation of ESC is a prime example of what economists term a market failure. ESC's clear benefits to individuals and society are not being fully realised by market forces alone. Barriers exist which inhibit use of ESC. Car buyers don't understand its benefits. Pricing levels are too high and linked to other optional extras. There are problems of non-availability and lack of standardisation.

These market failures mean that use of ESC in small family cars and super-minis is still very low in most Member States. As a result we are denying a crucial crash avoidance device to the most vulnerable car buyers with the least occupant protection. This failure to reach all car classes will, of course, have a negative impact especially on young drivers buying their first car. Today the ADAC will release new research showing that it is the 18-25 age group that are most likely to benefit from the crash avoiding potential of ESC. So I believe there can be no argument against action to accelerate use of ESC. It would be irresponsible and negligent not to do everything we can to encourage the widest use of ESC in Europe's motor vehicle fleet.

Today I want to highlight four ESC initiatives that will help restore Europe's leadership role in eSafety. What are these measures?

Firstly, we need to help car buyers understand the benefits of ESC. That, of course, is the purpose of the 'Choose ESC' campaign that we are launching here today. The informed consumer will be more likely to choose ESC when they are buying a new car. We hope that car dealer networks will agree to promote the campaign in their showrooms and encourage the public to visit the campaign's website.

The FIA is proud to be playing a leading role in the 'Choose ESC' campaign, and working together with all our partners in the eSafetyAware! organisation. This is a powerful coalition and together we should be able to help promote the message that ESC saves lives. We are especially grateful to the European Commission for their support for the 'Choose ESC' campaign.

But there is more that needs to be done. A second initiative is for governments to give a real encouragement to consumers to choose ESC. Member States should offer fiscal incentives to car buyers that want ESC. Tax reductions of around €100 targeted at the smaller car classes would be highly cost effective and give a huge stimulus to demand for ESC. The EU has already used fiscal incentives to promote environmental technologies and there is absolutely no reason why a similar approach could not be used to promote a road safety technology like ESC.

Thirdly, as today's survey by the Euro NCAP makes abundantly clear, manufacturers must do much more to make ESC available to any customer in any country of the EU. It can't be right that a car buyer wanting to benefit from ESC can be refused simply because it is not available across the model range. That is why it is tremendous news that Toyota has announced that ESC will be available in all their model range from this month. We are delighted with Toyota's responsible approach and also their decision to join eSafetyAware!. I would urge all manufacturers to follow Toyota's excellent example.

Fourthly there should be progress on agreeing a world standard for ESC. We are especially pleased that the US National Highway Traffic Safety Administration is represented at today's launch. Their presence here is testimony to the decisive action they have already taken on ESC. NHTSA has already introduced their own Federal Motor Vehicle Safety Standard to make ESC mandatory in all new cars by 2012, and secondly they have tabled a Global Technical Regulation at the UNECE World Forum for Harmonization of Vehicle Regulations.

Clearly a major reason why ESC is heading for 100% use in America is the policy initiative taken by NHTSA. The FIA believes that the European Union must learn from this experience. And that is why yesterday I wrote to Wolfgang Tiefensee, the President of the Transport Ministers Council and to Gunter Verheugen, Commissioner for Enterprise & Industry urging them both to take action on ESC. In particular, we believe there should be early agreement on a global standard so that ESC could be mandatory here in Europe at the same time as it will be in America.

I am optimistic that both the Council President and the Commissioner will support our call for action. In an interview earlier this year for the ADAC magazine Motorwelt, Minister Tiefensee pledged his support for action on ESC. And Commissioner Verheugen wrote to me in March confirming his commitment to propose the obligatory introduction of ESC in passenger cars this year. I very much hope that this will happen and that action on ESC will be a key feature of the current German Presidency of the EU.

In conclusion it is my strong belief that the combination of better public awareness, universal availability, fiscal incentives and eventual standardization are what ESC needs to fulfil its role as Europe's number one 'eSafety' system. Today with the launch of the 'Choose ESC' campaign we are meeting part of this challenge. A strong effort from everyone here might just be the winning formula for crash avoidance through ESC. The lives of thousands of our fellow citizens depend upon it.

Thank you