



COLLABORATION WITH KEY AUTOMOTIVE ASSOCIATIONS IN 2024.

COLLABORATION WITH ASSOCIATIONS

The BMW Group operates in a highly connected world. Our business activities impact the environment in which we operate, and can have both a direct and an indirect bearing on the interests of a wide variety of stakeholders. Conversely, external trends and developments influence many aspects of our own business activities. That's why we work to build mutual trust and clarity around expectations and perspectives – through constructive dialogue.

The BMW Group is in constant contact with its stakeholders worldwide, including key automotive industry associations in Germany, Brussels (for the European Union, EU), the US and China.

In 2024 our engagement with automotive industry associations covered a comprehensive spectrum of topics including:

- Competitiveness of the EU and Germany
- The Paris Agreement and the BMW Group's goal of climate neutrality
- Emissions restrictions, with a particular focus on the diverse range of drivetrain technologies and vehicle concepts
- The potential of hydrogen as energy storage for electric drivetrains
- Circular design and the use of secondary materials (especially in battery recycling)
- Geopolitical dynamics and trade relations
- Importance of a fair and rules-based global trade system promoting competitiveness and cooperation
- Critical raw materials supplies

As a member of the industry associations highlighted in this overview, we advocate for aligning their activities with the targets of the Paris Agreement.

The BMW Group is a full member of the VDA manufacturers' group, which brings together more than 650 carmakers and suppliers. As such, we are active in the various association bodies, including the Management Board, committees, working groups and steering committees. Key focal points of the VDA's work include data, international trade, drivetrain technologies, taxation and regulation, and market-specific policy issues such as fostering research and development. In the field of regulation and drivetrain technologies, the BMW Group is committed to promoting sustainable goals and legislation, with a view to securing political support for our goal of climate neutrality by 2050. This means representing our interests to policymakers via the VDA on issues such as establishing the necessary preconditions for electromobility, charging infrastructure, the hydrogen industry and secure supply chains and raw material supplies.

Key areas of collaboration in 2024 included:

EU Battery Regulation: We endorse the VDA's view that the CO₂ calculation outlined in the EU Battery Regulation is ineffective and strategically unsound. It also contradicts previous EU measures and penalises companies that use green electricity in production because their country's electricity mix is too carbon-intensive.

Link: [VDA statement on the EU Battery regulation](#)

Hydrogen and e-fuels: As the Renewable Energy Directive III (RED III) is implemented in German law, multiple carbon offsetting measures are under consideration. The VDA is advocating for ambitious targets for the expansion of e-mobility and a 35 percent reduction in greenhouse gas (GHG) emissions from the fuel sector by 2030. Even if the German government reaches its goal of 15 million electric vehicles (EVs) by 2030, around 40 million internal combustion engine (ICE) vehicles will still be on the road and requiring fuel. This means sustainable fuels will be fundamental to achieving the climate targets. The VDA is calling for a phased GHG reduction of 60 per cent by 2035, 90 percent by 2040 and 100 percent by 2045 – to be accomplished by a gradual transition to renewable fuels in road transport.

Link: [VDA's position paper on RED III](#)

Duties on battery-electric vehicles (BEVs) from China:

The VDA opposes EU tariffs on BEV imports from China, arguing that the tariffs hinder efforts to roll out electromobility, decarbonise and achieve the CO₂ targets of the Paris Agreement. They negatively impact European consumers and businesses by restricting market choices and making new BEVs less affordable, which will slow the expansion of electromobility across Europe.

Link: [VDA press release on duties on BEVs from China](#)

Standard Essential Patents (SEPs):

The VDA supports the mandatory registration of SEPs in the new EUIPO register as it enhances transparency, predictability, security and efficiency of SEP licensing for OEMs and OESs. This will benefit the entire supply chain and strengthen the European tech industry, reinforcing the EU's leadership in the automotive and other key sectors. It will also contribute to the EU's green and digital transformation by fostering the development of standardised technologies that prioritise sustainability and energy efficiency.

Link: [VDA position paper on SEPs](#)

EUROPEAN AUTOMOBILE MANUFACTURERS' ASSOCIATION (ACEA)

Based in Brussels, Belgium, the ACEA represents 16 leading European manufacturers of cars, vans, trucks, and buses. As the collective voice of its members, it engages in policy discussions with EU legislators, leveraging industry expertise to facilitate fact-based dialogue with key stakeholders. Its approach aligns closely with the BMW Group's commitment to informed and collaborative policymaking.

As a full member of ACEA, the BMW Group is represented on its Board of Directors, which includes the CEOs of all 16 member companies. BMW Group experts actively participate in ACEA working groups and committees, contributing technical and strategic insights on key topics such as emissions, electrification, digitalisation and safety.

Like other members, the BMW Group temporarily assigns technical experts to the ACEA to provide valuable industry expertise and further enhance the competitiveness of the European automotive sector – while fully adhering to anti-trust and compliance regulations.

The ACEA also enables collaboration with other manufacturers to develop a unified stance towards EU policymakers and regulators. Together, we advocate for the automotive industry's interests across the ACEA's four political focus areas:

- Climate, Sustainability, and Circular Economy
- Digital, Connected, and Automated Mobility
- Vehicle and Traffic Safety
- Trade and Geopolitics

In the context of the European election year in 2024, the BMW Group contributed to the [ACEA Manifesto for a Competitive European Auto Industry – Driving the Mobility Revolution](#). This document offers strategic guidance to policymakers for the 2024-2029 legislative term aimed at keeping the European automotive industry globally competitive as it undergoes its most significant transformation in over a century.

The European automotive industry is one of the most heavily regulated sectors, governed by more than 150 EU regulations and 30 directives. However, there is a strategic opportunity for the EU to enhance legislative coherence while strengthening international competitiveness: greater harmonisation of EU and international regulations – with consistent standards for vehicle design, manufacturing and approval processes, for example – will be crucial in accelerating the transition to climate neutrality and fostering global trade. To support this objective, the ACEA represents its members at the World Forum WP.29 of the United Nations Economic Commission for Europe (UNECE) through the industry associations' umbrella organisation, the International Organization of Motor Vehicle Manufacturers (OICA). The collaboration between OICA and UNECE aims to advance global regulatory alignment and establish common standards for motor vehicles worldwide, ensuring a more efficient and cohesive regulatory framework.

ALLIANCE FOR AUTOMOTIVE INNOVATION & AUTOS DRIVE AMERICA

The Alliance for Automotive Innovation – or Auto Innovators for short – represents 32 auto manufacturers, autonomous vehicle innovators, equipment suppliers, battery producers and semiconductor makers. Based in Washington, D.C., it is the primary advocacy group of our industry for legislative and regulatory processes in the US, focusing on member companies' commitment to making vehicles cleaner, safer and smarter.

Senior executives from BMW of North America are lead members of the Administrative Board and members of the Executive and Strategic Planning Committees. In partnering with Auto Innovators, BMW of North America has advanced important legislation pertaining to EVs, autonomous vehicles, the right to repair and data privacy, to name a few.

Auto Innovators provides technical expertise on issues such as GHG regulations, provisions in the Inflation Reduction Act and cybersecurity.

The BMW Group is also member of the Washington, D.C.-based Autos Drive America, which represents twelve international automakers with operations in the US. Autos Drive America supports the growth of the US automotive industry by advocating for open trade and investment policies that enhance employment opportunities for Americans and broaden consumer choice.

Key areas of collaboration in 2024 included:

Electric vehicles: For the US to lead the way in building an even cleaner future, Auto Innovators advocates for a comprehensive plan is needed that accounts for present market realities as well as on-going investments and innovation in ICE technologies. Electric vehicles (BEVs, PHEVs) make up roughly 4 percent of new vehicle sales in the U.S. and still face numerous barriers related to consumer interest and adoption. A coordinated policy approach is needed at both state and federal levels – such as purchase incentives, expansion of the charging and hydrogen refuelling infrastructure and fleet purchases – to foster a supportive environment for increased EV sales.

Link: [Alliance for Automotive Innovation: EV Agenda](#)

Autonomous and connected vehicles: Respecting traditional state authorities, Auto Innovators advocates for federal leadership to allow swift delivery of the lifesaving benefits of connected and automated vehicles. Strategic infrastructure investments can enhance road safety, efficiency and sustainability, and the US must prioritise them in order to harness the significant potential of vehicle automation, connectivity and vehicle electrification. Such investments will advance ongoing technological innovation in the US and secure its global leadership in transportation.

Link: [Alliance for Automotive Innovation: Autonomous Driving](#)

CO₂ and GHG emissions: Auto Innovators supports a unified, harmonised national programme that includes California and aligns Corporate Average Fuel Economy (CAFE) and GHG emissions regulations to achieve year-on-year improvements.

Trade: Autos Drive America is firmly committed to trade policies that foster market openness, encourage investment in the US and ensure stability through effective enforcement mechanisms.

Link: [Autos Drive America: Trade Agenda](#)

Workforce development: Autos Drive America is dedicated to promoting strategic policies that drive job growth throughout the automotive industry and foster a strong and thriving workforce. Member organisations actively create valuable career pathways and must continue building opportunities while ensuring fair and equitable treatment for all American auto workers.

COLLABORATION WITH INDUSTRY ASSOCIATIONS IN CHINA

The BMW Group is actively working with the China Association of Automotive Manufacturers (CAAM), China Automotive Technology and Research Center (CATARC), China Society of Automotive Engineers (SAE-China), China Electric Vehicle Hundred People Association (EV100), ACEA China and VDA China to discuss policy and regulation

issues on fleet fuel consumption, a zero-emissions vehicle (ZEV) mandate, emissions, sustainability, cyber-security, intelligent and connected vehicles, investment and other industrial policies. It also collaborates with the EU Chamber of Commerce in China (EUCCC) and the German Chambers of Commerce Abroad (AHK) on industrial and geopolitical and trade issues.

Key areas of collaboration in 2024 included:

New Energy vehicles (NEVs): In China, NEVs – which include BEVs, PHEVs, range-extended electric vehicles (REXs) and fuel-cell electric vehicles (FECVs) – have experienced rapid growth, accounting for a record 46 percent (approx.) of all new passenger vehicle sales in 2024. However, when it comes to fostering a healthier competitive environment, targeted strategies are essential. The BMW Group has participated in discussions organised by various associations, advocating for an open-minded approach to all technologies and freedom of choice for consumers.

Sustainability: The BMW Group actively supports EUCCC's advocacy for harmonising the carbon footprint calculation standards for whole vehicles and BEV batteries in the EU and China. We are also in favour of establishing a dialogue between the two regions to facilitate collaboration on carbon footprint assessment.

Cross-border data transfer: In collaboration with the VDA, we developed recommendations for a memorandum of understanding between the Cyberspace Administration of China and the German Federal Ministry for Digital and Transport.

The recommendations aim to facilitate seamless data flow, ensure global relevance, enable efficient technological innovation and safeguard the competitiveness of the German automotive industry. They propose establishing a bilateral data working group or expert panel with full participation of industry stakeholders from both countries to foster mutual understanding and consensus and explore targeted solutions for key challenges.

Trade and geopolitics: The BMW Group has supported trade associations such as the EUCCC and AHK in calling for the Chinese government to further enhance the business environment for multinational corporations. Key priorities include fostering a healthier competitive environment, accelerating the development of a unified domestic market, ensuring equal opportunities for foreign business, and promoting fair and impartial law enforcement.

We also agree with the EUCCC and AHK's position that the EU/Germany and China must strengthen pragmatic collaboration. Trade disputes should be resolved through dialogue and negotiation to ensure the core concerns of each side are effectively addressed.

Link: [EUCCC Automotive Working: European Business in China Position Paper 2024/2025](#)

Link: [AHK Greater China: Positions](#)

BMW AG, May 2025

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