



# The future of electric transport in Iceland

Sverrir V Hauksson

Chairman of the Automotive Association in Iceland

---

- The total car park in Iceland (cars, trucks, machinery etc.) is only 299.000 units and thereof passenger cars are 207.000
- The average age of this car park is 12,5 years at year end 2011 and will be above 13 years by the end of 2012, growing quite rapidly
- While Europe had a little “bump on the road” from 2009, Iceland hit a wall in regard to the automotive business
- Still, renewal rates are only half of what is needed to maintain the average age of the car park
- In this situation the car importers in Iceland are more focused on survival and regaining strength, than investing heavily in new technology
- However, all the importers have watched closely what their producers are doing in terms of electric mobility and are fully up to speed on the development

# In context

---

- In general it is quite a complex process for an importer to seek authorization for importing electric vehicles from their producers;
  - Special training for technicians
  - Special tools for repairs
  - Different stock of spare parts (batteries etc.)
  - Marketing of new models/technology
- Sometimes the special contracts that have to be signed in this purpose are even more complex than the actual Importer- or Distributor contracts

# The importer

---

- In general the message the importers are receiving today is:
  - “we are ready but the market is not”
  - “Still, batteries are too expensive and complex”
  - “We are losing money on every e-car we produce and the price is not going down anytime soon”
  - “We are disappointed with the market outcome and will cut back on production for next year..”

# The message from the car producer

---

- **In Paris last week the message was quite clear**
- Full electric is delayed
- Now we will focus on more efficiency in the conventional combustion engine and ad on hybrids/plug in hybrids
- Hydrogen cars will be in regular production from 2015



# Paris Motor show 2012

---

- Iceland really is the most ideal market for electric mobility with all the renewable energy at the best price in the world!
- It would naturally please the importers to be able to provide the market with more environmentally friendly cars – it would simply mean more sales
- The steps that the government is taking towards supporting this change is in our opinion vital for the development
- However this support will have to continue beyond 2013 since there is still a long way to go towards electric mobility
- Also, infrastructure in terms of charging will have to be supported
- Even though we have in many aspects a unique position in regard to ample electricity, we are a very small market and simply have to “go with the flow”

# Iceland

---

	2012	2013	2014	2015
Total passenger market	7000	9000	11.000	15.000
B-EV's - therof	20	50	100	200
%	0,28	0,55	0,90	1,33

- Based on foreseeable supply from producers, price levels and market potential
- Also taking into account that the government will continue to support this change with tax discounts

# Estimated market

---