

# The Motorcycle Industry in Europe

## A C E M R e p o r t







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## ACEM IN BRIEF

- ACEM means “Association des Constructeurs Européens de Motocycles”. ACEM represents the Motorcycle Industry in Europe and, as such, is one of many interest groups that contribute to an informed decision-making process in the European Union.
- ACEM has twenty-nine members, out of which 12 are manufacturers and 17 national Powered Two-Wheeler industry associations in Europe.
- ACEM, based in Brussels, was established in 1994 from the merger of COLIMO (Comité de Liaison de l’Industrie du Motorcycle) established in 1962 and composed of eight national associations, and ACEM founded in 1990 by the eight main European companies in the field.
- ACEM provides clear and factual information concerning the European Powered Two-Wheeler industry and fosters the understanding of the sector’s importance, its complexity and its contributions to society.

## The ACEM Members

### *Manufacturers*

- BMW Motorrad
- Bombardier Recreational Products
- Ducati
- Harley Davidson
- Honda
- Kawasaki
- KTM
- Peugeot
- Piaggio
- Suzuki
- Triumph
- Yamaha

### *National Associations*

- AIA, Automotive Industry Association (Czech Republic)
- AIMID, Association of Irish Motorcycle Importers & Distributors
- AMVIR, Association of Motor Vehicle Importers-Representatives (Greece)
- ANCMA, Associazione Nazionale Ciclo Motociclo Accessori (Italy)
- ANESDOR, Asociacion Nacional de Empresas del Sector de dos Ruedas (Spain)
- Arge2Rad, Association of PTW Manufacturers and Importers (Austria)
- C.S.I.A.M., Chambre Syndicale des Importateurs d’Automobiles et de Motocycles (France)
- CSNM, Chambre Syndicale Nationale du Motorcycle (France)
- EQUAL, European Quadricycle League
- FEBIAC, Fédération Belge de l’Industrie de l’Automobile et du Cycle (Belgium)
- FFÖ, Fachverband der Fahrzeugindustrie Österreichs (Austria)
- IVM e.V, Industrie-Verband Motorrad (Germany)
- MCIA, Motorcycle Industry Association (UK)
- McRF, Moped & Motorcykelbranschens Riksförbund (Sweden)
- MOTED, Motorcycle Industry Association (Turkey)
- PZPM, Polski Związek Przemysłu Motoryzacyjnego (Poland)
- RAI Association Nederlandse Vereniging De Rijwiel en Automobiellndustrie (The Netherlands)



## Foreword by Stefan Pierer, ACEM President



### *The Powered Two-Wheeler sector: looking beyond the crisis*

The financial and economic crisis has taken a heavy toll on public finances, businesses, employment and households.

The Motorcycle Industry in Europe has not been immune to the crisis, far from it. Registrations of Powered Two-Wheelers plunged in the final quarter of 2008, and we are looking at a negative balance for 2008 and 2009, in the range of -25%. Fall in demand of Powered Two-Wheelers gave way to a decline in production, putting high pressure on manufacturers and on employment in the sector. Needless to say, the outlook for 2010 remains highly uncertain- but as we look to this new decade, we have to remain positive.

Little over one year ago, ACEM announced a series of proactive initiatives as a means to “shaping the future” for the sector. In spite of current challenges, ACEM members are determined and committed to staying behind those initiatives, in particular as the European institutions and Member States begin discussing the future EU 2020 strategy. However, in order to jointly deliver solutions to tomorrow’s mobility challenges, while safeguarding investments and employment in the sector, similar commitment to a sound industrial policy is necessary from policy makers in the short and medium term.

A thriving industry is at the core of Europe’s prosperity. It is important that the image of Europe as a destination for profitable investments is retained and strengthened, especially in these times of uncertainty. Yet to restore confidence, we have to solve several substantial issues: European regulations must be occasioned by a long-term vision and with regulatory stability and simplification in mind, providing sufficient lead-time for industry to develop products. Consideration of market acceptance should always be at the source of new technical requirements, providing industry with the necessary flexibility. Furthermore, a level playing field must be ensured, both in Europe and on extra-European markets, with all actors in the sector on an equal footing.

In order to bounce back from the crisis through new opportunities, Europe will have to address these fundamental issues through enhanced cooperation between policy makers and industry. A broad perspective is necessary to ensure that industry is in the best position when activity recovers. ACEM members have always distinguished themselves through the innovation and the quality of their products, and long term commitment to corporate and social responsibility.

We are willing to do our part.

**Stefan Pierer**  
PRESIDENT of ACEM and  
CEO of KTM



## Introduction by Jacques Compagne, ACEM Secretary General



### *Rising up together to a challenging agenda*

The report you are holding in your hands provides an insight into the Powered Two-Wheeler sector. It highlights a challenging agenda for the years to come, which will require working together towards shared objectives.

ACEM brings together the main manufacturers of Powered Two-Wheelers active in Europe. These manufacturers of motorcycles, scooters and mopeds have established their names worldwide, through their ability to develop innovative products answering the mobility needs of citizens and society's expectations. In ACEM, the experience of manufacturers is supported by national associations able to relay information to and from the Member States. This enables the association to develop an informed vision, and an agenda which is then translated in positions on issues of interest. These positions developed within the ACEM structure become the Motorcycle Industry contribution to the European policy debate on issues ranging from mobility, to environment, safety and competitiveness.

Amongst the main upcoming issues, 2010 will bring on the agenda a new white paper on European transport policy, setting out the EU priorities for the decade. The European Commission will issue a

new proposal for a Framework Regulation on type-approval of two- and three-wheel motor vehicles and quadricycles, with environment and safety aspects, which will then go through the co-decision process in the European Parliament and in the Council. ACEM has been involved in the preparation of this regulation and will follow-up the inter-institutional process. Needless to say, given the current economic climate, competitiveness aspects should also be central elements of these initiatives. Looking further out to 2013, the Powered Two-Wheeler market will be reshaped by the implementation of new driving licenses requirements in the EU Member States.

Many changes are undergoing in Brussels. A few months ago, a newly elected European Parliament took seat. With the entry into force of the Lisbon Treaty, the European Parliament and National Parliaments will be more involved in European decision-making. The new European Commission is expected to be in place from February 2010. ACEM is looking forward to working together with policy-makers at all levels, providing its expertise. This report is a token of the motorcycle industry's commitment to continuing to engage the legislator in "shaping the future".

Enjoy your read,

Jacques Compagne  
SECRETARY GENERAL of ACEM





## Who we are

ACEM, the Motorcycle Industry in Europe, is the professional body representing the interests and combined skills of 12 Powered Two-Wheelers manufacturers, and 17 national associations out of 13 European countries. ACEM directly represents a total of 24 Powered Two-Wheeler brands.

In Europe over 150.000 jobs depend on the Powered Two-Wheeler industry. The aggregated turnover of the sector (manufacturing, plus upstream and downstream activities) amounted to Euro 34 billion in 2006. Manufacturers alone account for Euro 7 billion. The members of ACEM are responsible for 90% of the production and up to 80% of the European Powered Two-Wheeler market, which culminated at 2.7 million units in 2007.

The variety of products offered by ACEM manufacturers are represented by the large amount of styles and segments such as moped, scooter, street, naked, super-sport, touring, supermoto and off-road bikes.

ACEM was created in 1994 by the merger of two Associations of manufacturers of Powered Two-Wheelers, namely COLIMO (Comité de Liaison de l'Industrie du Motorcycle) established in 1962 and composed of eight national associations; and ACEM (Association des Constructeurs Européens de Motocycles) founded in 1990 by the eight main European companies in the field.

Upon its creation, the manufacturers of motorcycles in Europe decided to maintain the name ACEM as a sign of continuity of their presence in Brussels, whose

legal identity is Groupement Européen d'Interêt Economique according to European law.

The scope of ACEM has expanded together with the growing competences of the European Union and related activities within Member States. ACEM covers issues and technical requirements in policy fields such as environment, road safety, trade, taxation and transport seeking a broad view of the complex economic, social, political, and legal issues surrounding European integration. These, all together, represent challenges and opportunities for the Motorcycle Industry.

## Our Mission

- To develop products as socially responsible solutions to new mobility and sustainability challenges,
- To support European Road Safety Action Programmes,
- To minimize the environmental impact of our products and processes,
- To establish a strong competitive and profitable industry in Europe.



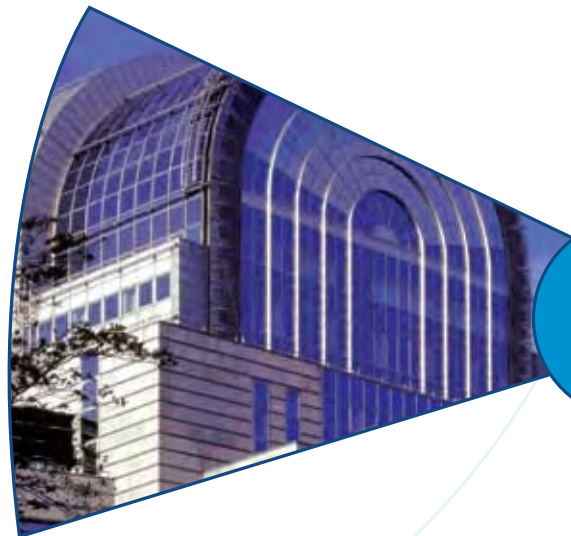
## The Industry philosophy: responsible commitment

The process of market globalisation, the effects of a serious world economic crisis and the entry into force of the Lisbon Treaty all have consequences on the lives of European citizens and businesses. Industry responsibility now extends not only to the needs of the market, but also to its employees, the environment and society as a whole. The principle of sustainable development is synonymous with this philosophy. It is based on the fundamental belief that this generation should not live at the expense of the next.

The Motorcycle Industry in Europe is committed to applying the principles of sustainability as a key part of the effort to develop its market and value. Manufacturers wish to contribute to the development of a vision for the future of transportation, and to meet the expectations placed on the Powered Two-Wheeler sector. Creating and safeguarding jobs

through innovative and problem-solving expertise are just as important as the commitment to the environment, society and open dialogue. This long-term, value-oriented philosophy is exemplified by the ACEM missions, positions and initiatives and every member of ACEM is called upon to implement these objectives in its own sphere of activity. In this respect, ACEM members put forward their views on policies having an impact on the Motorcycle Industry and work towards developing a constructive dialogue with officials and decision-makers.

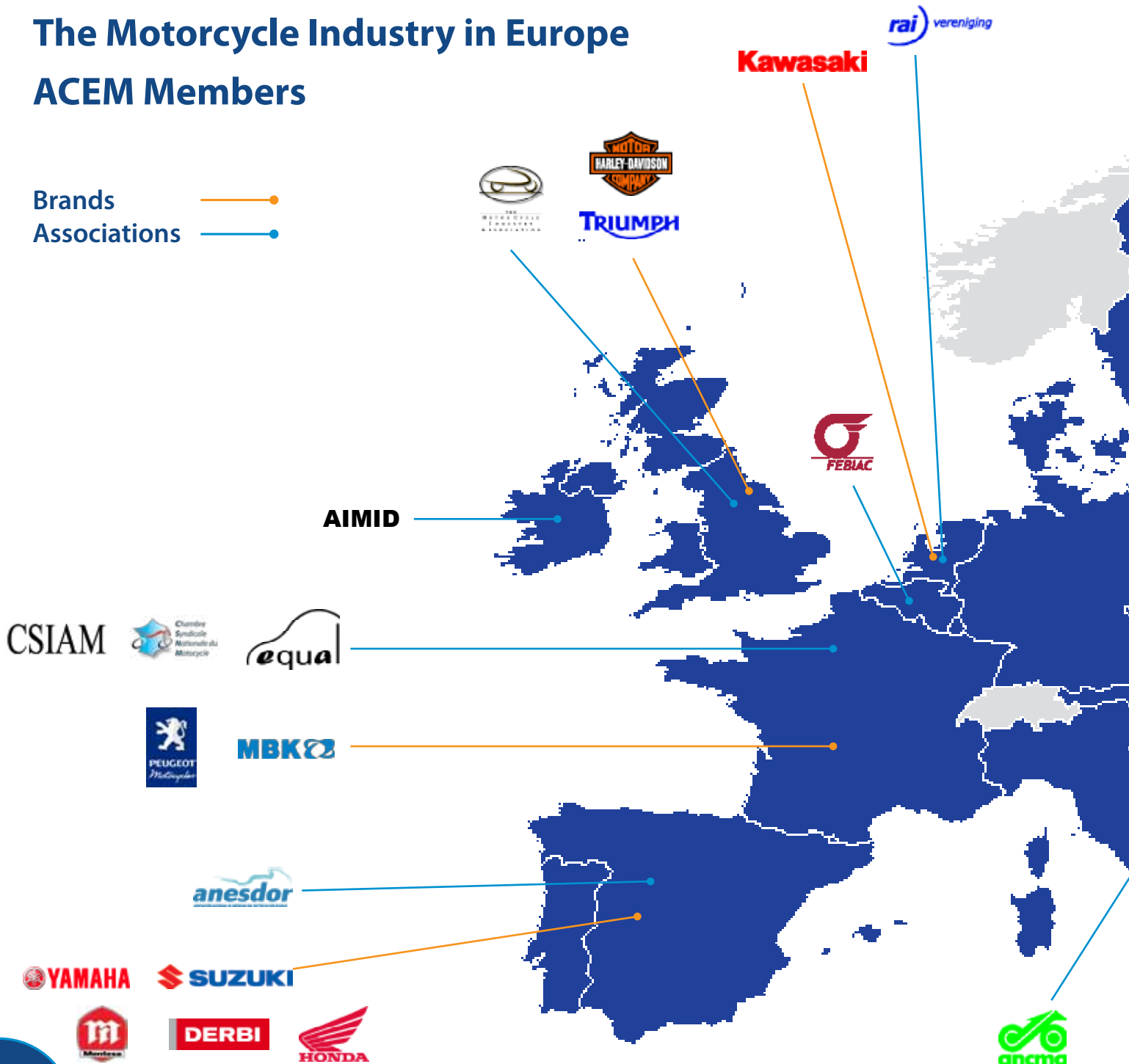
The Motorcycle Industry in Europe will continue to bring its contribution, shaping the future and searching for solutions to tomorrow's transport challenges, while setting an example of long term commitment to corporate and social responsibility.

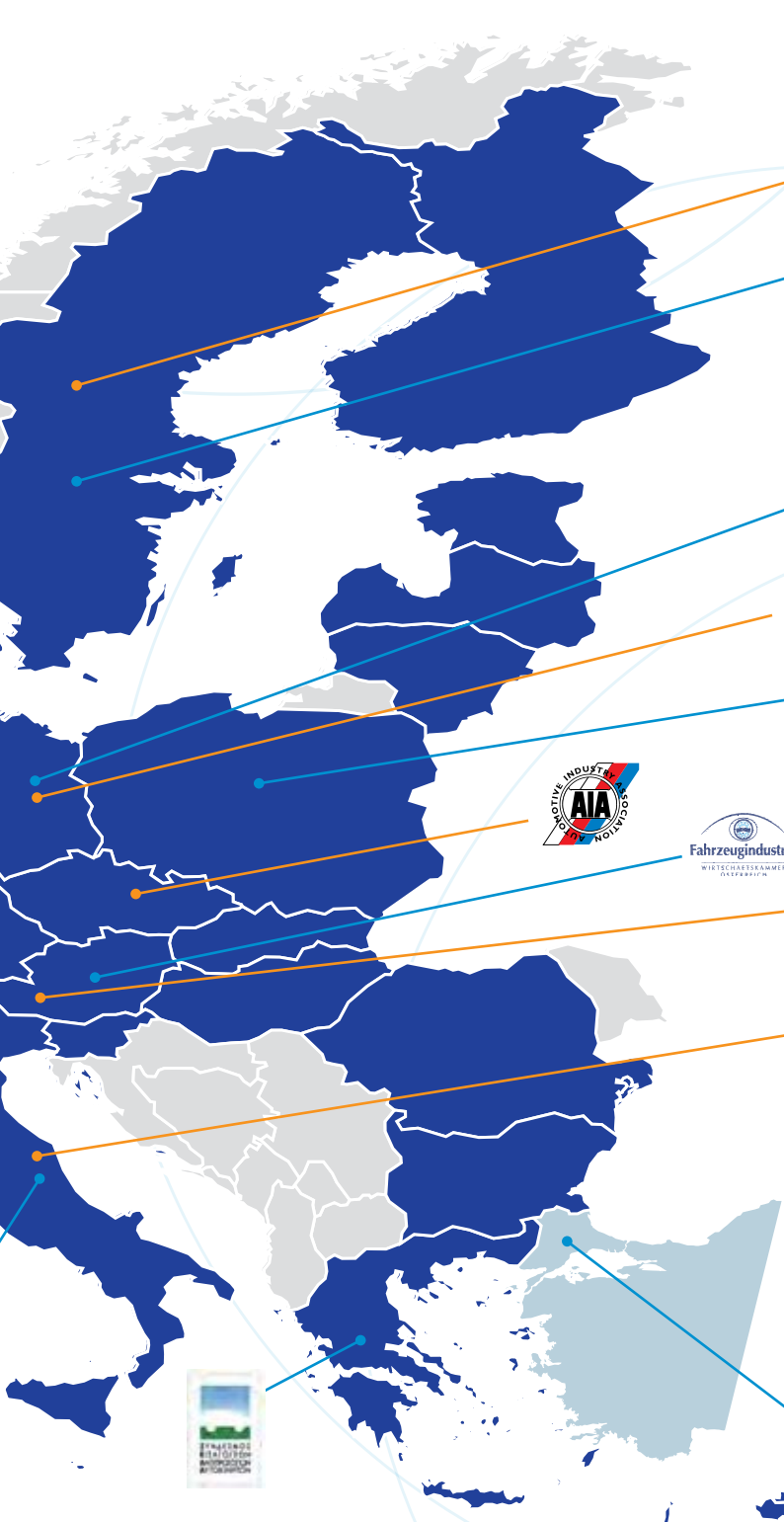


# The Motorcycle Industry in Europe

## ACEM Members

Brands —●—  
 Associations —●—





Polski Związek Przem  
Motoryzacyjny



PIAGGIO & C.s.p.a.



GILERA







# The Motorcycle Industry's Policy Agenda

## MOBILITY

**“Mobility is key to prosperity“.**

Market trends clearly show that Powered Two-Wheelers (PTWs) answer the mobility needs of an increasingly higher share of the European population. The PTW fleet has been steadily growing over the last few years, reaching about 33 million vehicles in use in 2008. According to long term market projections the fleet is expected to continue to grow and reach between 35 and 37 million vehicles in 2020.

Motorcycles, scooters and mopeds are not chosen by so many citizens only for the emotions they can deliver. The success of PTWs is due to the fact that these vehicles satisfy a primary need: the demand for mobility. Every day all over Europe, millions of citizens use their PTW to go to work, to school, shopping or just making use of their free time in an efficient and convenient way. This is true for European cities, where congestion and lack of parking places are a growing inconvenience, as well as for recreational activities such as touring, leisure and sport.

PTW manufacturers offer a wide range of PTW models with different styles, features and designs, each intended for a specific use and fulfilling this very diversified user demand.

### **What are Powered Two-Wheelers?**

The term 'Powered Two-Wheeler' (PTW) covers a wide range of vehicles from mopeds, scooters and other small capacity motorcycles, ideal for urban journeys, to large capacity custom, sports and touring models, as well as tricycles.

Today the offer is spread over 7 vehicle categories and 14 main segments, satisfying the most varied needs.





## The Quality of our Lives Depends on Mobility

Mobility is and will continue to be a major contributor to the social and economic wealth of the European Union and a key element for its future prosperity. Europe's growth has been accompanied and fostered by a more and more performing transport system. Citizens benefited from a better transport system, exploiting it for their own education, work or social purposes, with positive effects on the society as a whole.

Road transport plays a vital role in modern economies, as 90% of people in the EU travel by road. All citizens should benefit from a transport system whose design and management corresponds to their needs.

Finding a balance between the need to pursue socio-economic objectives of growth and development and the need to further reduce the negative effects that transport may cause to the society will remain the key challenge in the quest for a more sustainable mobility over the coming years. This is the main challenge of sustainable mobility, which must address at the same time social, economic and environmental factors. Each of these pillars is of equal importance and they all need to be taken into account when assessing the sustainability of transport policy.

ACEM has contributed to the EU reflections on the "Future of Transport". The focus of the new EU White Paper on Transport Policy should be on policy measures that are fully compatible with the real demand-oriented needs of European citizens and businesses. Different transport modes should be offered on the same footing, whilst at the same time applying realistic and economically viable principles, such as:

- **Fair and equal competition** between and within transport modes,
- **Freedom of choice** by users/citizens and accordingly the respect of rights and choice of users to select the most appropriate transport mode for their mobility needs;
- **Transport efficiency**, encouraging the most suitable and effective mode of transport according to the circumstances, is to be considered as highly important;
- **Integration**, in particular in urban areas, of **Powered Two-Wheelers** in transport policy.

**Sustainable mobility is about ensuring that consumers have real choices, but also encouraging them to buy the most suitable vehicle for their needs and improving their behaviour on the road.**

**Sustainable mobility can be achieved through an integrated approach where vehicle design, policy makers and users each play their part.**

**Manufacturers, transport stakeholders and policy makers share the common view that in order to be sustainable tomorrow's mobility must take greenhouse gases, and safety, both for passengers and for freight, into account.**



## Urban Mobility

As city dwellers are estimated to grow from today's 60% to 80% of the total European population by 2020, urban mobility will become an increasingly important topic for discussion. People's right to move freely, new technologies, increased integration of different transport modes will be just some of the arguments to save cities from congestion and pollution.

The need for an efficient and sustainable mobility has become more urgent for cities as traffic, congestion, parking space availability are becoming ever greater concerns for citizens. These challenges are accompanied by economic issues, with increasing costs for transportation in terms of money as well as time.

The increase of PTWs in European cities reflects the need for an alternative mode of transport. PTWs can play an important role in providing viable solutions to citizens who are struggling with congestion, long city trips and hard to find parking places. The European Commission, in its urban mobility action plan, underlined the role of PTWs as an alternative mode of transport contributing to optimising urban mobility.

PTWs do not suffer from, nor create, congestion due to their limited dimensions. Thanks to high fuel-efficiency, PTWs help curbing CO2 emissions and are cheaper to run.

Lifestyles and mobility patterns in cities have changed: single-purpose journeys are progressively being replaced by multi-purpose and multi-destination

routes. This is true for business as well as for leisure. Again, PTWs support this kind of mobility.

Further, parking places for PTWs demand less space and limited investment from local authorities, are easier to integrate in the structure of European cities, and create less impediment for pedestrians and cyclists.

### Co-modality, an opportunity for European cities...

**The future transport policy for cities must build on integrating all modes. It must preserve and enhance the advantages of each mode while working at a better integration to the benefit of the users. In a period of dramatic socioeconomic repercussions due to the current global financial and economic crisis, transport policy should not fall again into the trap of artificially forced and inefficient modal shift policies. Instead, it should reason in terms of true co-modality and optimisation of each mode of transport.**

**Individual and collective transport offer different services and therefore fulfil different needs. They are not, as too often assumed, communicating vessels. The efforts need therefore to be focussed on enhancing the sustainability of individual transport.**

**A forced modal shift policy based on traffic restrictions and increased costs for individual transport will lead to a high loss of welfare without the expected benefits for mobility and quality of life.**





The majority of urban trips are individual trips. Cars are by design 'multi-purpose vehicles' allowing one or more people to travel over long distances; however, they are often over-dimensioned in an urban environment, exceeding the needs of many city trips. PTWs are 'single purpose vehicles' tailored to the urban and peri-urban environment, allowing up to two people to travel and following a 'less is more' philosophy: they are constructed to cover specific daily travelling ranges, and each component is calibrated accordingly.



For certain journeys, PTWs can be an alternative to individual car-based private mobility or a complement to public transport, successfully integrating the urban transport toolbox available to citizens, businesses and authorities. This is confirmed by the growing participation of PTWs to the urban modal split in many European cities.

### **PTWs reduce travel times in cities**

A study by the French Environmental Agency\* ADEME comparing PTW and car trips in the city of Paris concluded that with a PTW 'pure' travel time is halved. The survey was performed in "real life" conditions with the aim of comparing the two modes of transport on the same type of use. They were timed on a typical "home-work" trip, between a suburb (Linas) and the Paris city center (Musée d'Orsay), at peak time (time of arrival in Paris: 8.30am). While car drivers needed, on average, 88 minutes to cover a 31 Km journey, PTW users made it in 44 minutes, clearly benefiting from their lower exposure to congestion (less idling in traffic).

Moreover, the study shows that car drivers needed on average an additional 16 minutes to find a parking place.

For these reasons, PTWs are also often chosen by businesses for their shorter distance logistics and by public services such as local police.

\* "2 roues motorisés Euro3 : progrès environnementaux et comparaison à l'automobile", Etudes Ademe, 2007



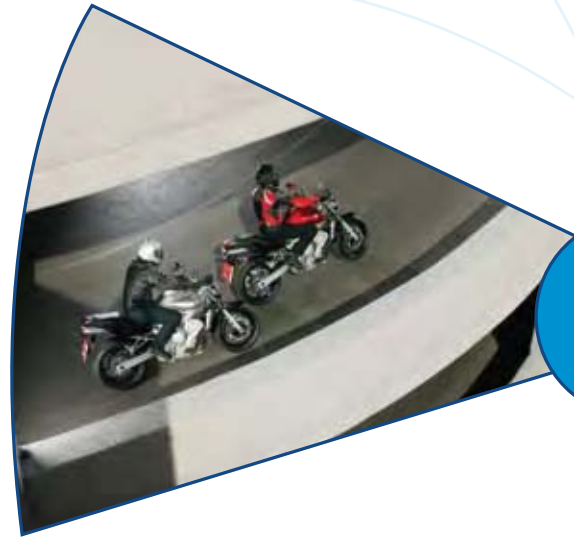
## Economic benefits of PTW transport in cities

Economist and Sorbonne Professor Pierre Kopp recently published a study\* examining the consequences of the increase in PTW traffic (measured in vehicle/km) in Paris.

The PTW share in Paris traffic increased by 36% between 2000 and 2007, with PTWs now accounting for a share twice as large as that of buses. An original survey has shown that 21 million additional passenger kilometres were made by PTWs in 2007 compared to 2000. 53% of this increase comes from people shifting to PTWs from public transport and 26.5% from private cars. The remaining 20% is attributable to the increased use of PTWs by those already using such vehicles in 2000.

Through a cost-benefit analysis, weighing time spent in traffic, impacts on road safety, environment and taxes, the study concluded that the shift towards PTWs over the period 2000-2007 generated a considerable gain for the community, despite the absence of accompanying public policies.

\* " La contribution des deux roues motorisés à la mobilité dans une grande métropole : le cas de Paris " Revue Transport, July-August 2009, n° 456.





## Leisure, Tourism and Sport

Tourism is a strategic economic activity in the European Union. The EU tourism industry generates 11% of the EU GDP and employs 12% of the EU work force. The development of many areas in the EU depends on tourism. Mobility and transport are a necessary pre-condition to ensure the prosperity of the sector.

Recreational motorcycling offers an unrivalled way to enjoy the outdoors, giving to travelling a different dimension while allowing riders to relish the sensation of freedom. For this reason, PTW manufacturers develop tourism oriented vehicles, providing improved comfort features and higher storage capacity. Motorcycle touring has developed to the point that specialised companies now organise tours combining different cultural and riding experiences across Europe. Similarly, several companies organise different modules aimed at providing advanced riding skills, such as off-road riding.

Motorcycling is also a popular sport gathering millions of fans worldwide. The most attended events, such as the Moto Grand Prix in Jerez, Spain, can draw up to 250.000 enthusiasts over a weekend attracting investments in racing and tourism infrastructures, and bringing economic benefits to the surrounding area. The success of motorcycling sports generates a prosperous business related to sponsoring opportunities and broadcasting rights.

Motorcycling sport is run in different disciplines such as road racing, which includes Grand Prix, and Superbike – motocross, trial, enduro, and track racing. Worldwide these competitions amount to a total of almost 50 championships and prizes, playing an important role as catalyst for social inclusion and contributing to spread the positive values of sports.

Sports at the very high level also contributes to manufacturers' Research and Development activities, which in turn translate into improvements in the product destined to the consumer, in terms of safety, environment, and overall rideability.

### Tourism and Sport in the Lisbon Treaty

The Lisbon Treaty, which entered into force on 1 December 2009, includes for the first time tourism among the policy responsibilities of the EU institutions. It also gives the EU a formal competence on sport, which should develop in 2012 in the first EU sports programme, with an emphasis on the social and educational aspects of sports.







# ROAD SAFETY

## “A shared Responsibility”

### The Industry Strategy

Safety is a top priority for the Powered Two-Wheeler industry. ACEM dedicates energy and resources to acquiring and analysing data regarding road safety and Powered Two-Wheelers in order to identify and prioritize areas for improvements. This process follows an integrated approach looking at human, vehicle and infrastructure related factors, seeking to involve policymakers and other relevant stakeholders at European, National and local level.

ACEM participated to the consultation process launched by the European Commission leading to the 4th European Road Safety Action Programme (2010-2020). ACEM Members actively supported the ‘shared responsibility’ concept and are committed to improving road safety by funding research, financing and participating to road safety projects, acting together towards the common objective of improving the road safety of Powered Two-Wheeler users.

### Improve the Knowledge

In order to better understand the nature and causes of PTW accidents, ACEM conducts studies of motorcycle and moped accidents intended for improving the knowledge of PTW accidentology. ACEM also participates to road safety projects aimed at contributing to curbing road accidents. The results of these projects are then implemented and shared as best practices with policymakers and other

stakeholders.

Safety figures differ significantly across the EU member states. Statistics on PTWs indicate that, with the same vehicles available on the market, a considerable disparity exists between best and worst performing countries. Reducing this gap by improving national transport policies through integration of PTWs will bring considerable and tangible benefits to European road safety. The identification and dissemination of best practices would facilitate the introduction of successful road safety policies by low performing countries.

#### Road Safety: the Industry Strategy

- Improving the knowledge about motorcycling safety
- The Integrated approach
  - Act on the human factor
  - Act on the vehicle
  - Act on the infrastructure
- Cooperate with institutions and stakeholders

### The Vehicle

Quality, design and product reliability lie at the basis of every choice leading consumers to buy PTWs manufactured by ACEM Members.

Innovation is a strategic driver of success but also a long term process requiring considerable resources and adequate lead time before becoming a production reality.



## Improving the knowledge

### Projects

#### MAIDS

Proper knowledge of how road accidents involving PTWs occur is fundamental to identify the right priorities. With the European Commission's co-funding, ACEM carried out the most comprehensive in-depth study currently available for PTWs accidents in Europe: MAIDS - Motorcycle Accident In-Depth Study. The investigation was conducted by dedicated research teams during 3 years on 921 accidents from 5 countries. Since the publication of the MAIDS report several analysts have referred to MAIDS and partnerships have been built in order to continue to make the most of the data gathered by the MAIDS team. [www.maids-study.eu](http://www.maids-study.eu)

#### eSUM

The higher presence of PTWs in cities justifies the need to gather further information on their use and specific safety needs. In March 2008 the European Commission co-funded eSUM, a project focusing on PTW safety in cities. The project is led by the city of Barcelona involving

ACEM PTW manufacturers and three major European capitals (London, Paris, Rome). eSUM (European Safer Urban Motorcycling) is a collaborative initiative between industry and local authorities of Europe's principal motorcycle cities to identify, develop and adopt measures designed to deliver safer motorcycling in the city environment. [www.esum.eu](http://www.esum.eu)

#### EURSP

Accidents are proportionately more frequent in urban areas than elsewhere. ACEM is a partner of POLIS, the network of European cities and regions promoting innovation in local transport, and supports a European Urban Road Safety Platform (EURSP) that will benchmark cities road safety figures for all transport modes.

A dedicated safety policy for cities depends on a specific focus on those areas with dedicated tools and authoritative partners. ACEM believes that the POLIS network will make it possible first to gather those data and then to devise in partnership the best strategy to curb PTW accidents. The data gathered will be then disseminated and will serve as a database on safety in European cities.



To meet stringent type-approval requirements, and high safety standards, ACEM Manufacturers apply the latest state-of-the-art technologies.

## Braking

The characteristics of braking systems for motorcycles are different from those of cars. Compared to the past, brake/tyre combinations on today's PTWs have very high performance capabilities in a very wide variety of traffic and road conditions. Using the full potential of the brakes, especially in an emergency situation, is one of the most difficult tasks of riding a motorcycle especially for novice riders. Incorrect use of motorcycle brakes is considered to be a factor in many accidents. In those emergency situations where the rider has to make decisions in a split second, human 'decision failures' and faulty collision avoidance manoeuvres can lead to loss of control, tyre lock up, rear tyre slide out, etc.



### ACEM's Brake Commitment – A pledge for road safety

As a commitment to the European Road Safety Charter, ACEM Manufacturers proposed to progressively increase the number of PTWs fitted with advanced braking systems. This will provide easier to use brakes and by 2010 the majority of new street models on the European market will have advanced braking systems, at least as an option.

In June 2008, 35% of the European motorcycle offer was already equipped with advanced braking system, which translated into 35% actual penetration in terms of sales. In the context of the upcoming regulation, ACEM manufacturers proposed to bring this commitment

beyond 2010, extending its coverage to 75% of street model motorcycles by 2015.

### Advanced Braking Systems

The Motorcycle industry has developed over the years several braking technologies enhancing the effectiveness of these devices and adjusting to specific manoeuvres and needs. Advanced braking systems encompass different systems, such as anti-lock brake systems (ABS) acting on one or both wheels, combined brake systems (CBS), rear wheel lift-off protection (RLP), automatic brake force distribution, amplified braking systems, brake by wire and new vehicle architectures. These systems can be present individually or in combination on a PTW.

The varied range of braking systems available today is able to match the price range of the vehicles on offer.

### Lighting and conspicuity

'Being seen' and being perceived accurately by other road users are extremely important factors that contribute to PTW safety. The relatively narrow frontal silhouette of PTWs, compared to that of other vehicles, often leads to a wrong evaluation by other vehicle users and consequently to accidents. A variety of countermeasures, both human and vehicle related, should be considered to ensure PTWs are correctly perceived in traffic.

ACEM manufacturers are engaged in a programme aiming at increasing the conspicuity of PTWs:

- 1- voluntary introduction of AHO (automatic headlamp on) since 2003
- 2- a research programme to identify "lighting treatments that improve PTW conspicuity to other vehicles in the future European traffic environment"





3- the exploration of and research into intelligent transport systems (ITS) that can help in the “communication” between PTWs and other road users

The on-going research may lead to on-vehicle improvements in the future. The longer-term ITS efforts will explore how to cooperate with the car and component industry, among others in the context of the e-Safety Forum initiative.

Awareness and training (of both PTW and other vehicle operators) are fundamentally important and must be addressed.

### **Tampering**

PTW engine driveline tampering – to increase performance above legal limits – is a major concern in several European countries. Modified vehicles not only lose their compliance with environmental norms, they also pose a serious threat to safety.

While it is not an easy task to detect whether a PTW has been tampered with, figures show that a significant proportion of moped accidents occur at travel speeds greater than 50 km/h, indicating an illegal modification of the maximum speed limit of 45 km/h.

ACEM proposed new antitampering measures preventing moped users from illegally raising the maximum speed of the vehicle in order to complement the existing regulatory provisions. These new measures would cover electrical/electronic devices participating in the vehicle’s maximum speed limitation, the interchangeability of components, the Continuously Variable Transmission’s components, the exhaust silencing system and marking.

Authorities enforcing controls have a significant role in minimizing tampering.

## **Licensing**

A wrong decision, lack of experience, or the underestimation of a risk can all lead to a crash. The human factor is the primary cause of accidents involving PTWs. While the majority of the responsibility lies with the other vehicle driver, PTW riders themselves are accountable for 37% of accidents. The first and most effective way to ensure the riders’ safety is to develop

**According to the principle of “lifelong learning” ACEM encourages training instead of testing**

- ACEM proposes access ages to follow straight from traffic safety school education, using the opportunity provided by low-powered PTW categories and encouraging progressive access (mopeds at 14; light motorcycles of 125cc at 16; motorcycles of  $\leq 35$  KW at 18 and unrestricted access from 20 years of age).
- ACEM proposes to implement mandatory pre-license training, for all novice riders in Europe.
- The initial Rider Training Project offers a valuable framework for “progressive access” ([www.initialridertraining.eu](http://www.initialridertraining.eu))
- ACEM supports the equivalence for car driving licence holders towards mopeds, light motorcycles of 125cc and tricycles and proposes training for riders making use of equivalence options between various license categories.
- ACEM supports the direct access option to unrestricted motorcycle licence, as the current PTW test is among the most complete and demanding.



his/her risk perception and the skill acquired and developed through training and/or experience. This can be done through a proper training scheme and progressive access to higher vehicle categories.

Access to vehicles in the EU Member States is regulated by a European Directive on driving licences. Mopeds are not covered by the directive currently in force and therefore at the moment their access is regulated at national level. Provisions vary substantially amongst the Member States concerning minimum access ages, testing and equivalences with the car licence. A new European Directive applying from 2013 will also cover mopeds. Compared to the present situation, the level of harmonisation across Europe will be either improved or reduced, depending on transposition by Member States.

## The Infrastructure

The poor conditions of many European roads and the fact that PTW specific needs are still often neglected in road engineering are among the causes for accidents. Road Infrastructure Safety Management is part of the 'integrated approach' to road safety (linking the users the vehicle and the infrastructure aspects) and a step in the right direction of reducing the number of deaths on European roads.

ACEM engages stakeholders who are responsible for improving the PTW road environment and urges them to work with local agencies to identify and develop solutions which take PTWs into account. The adoption of PTW friendly guidelines while engineering and/or maintaining roads would effectively reduce the risk of accidents and injuries.

To this extent ACEM has published an "Infrastructure

Guidelines Handbook"<sup>2</sup>, developed with road engineers. This technical manual focuses on infrastructure and provides guidelines for a safer road environment for PTWs. This publication is aimed at traffic engineers, urban planners, contractors and policy makers but it contains useful information for PTW riders as well.

The role of the rider can be crucial to prevent these accidents. This is why ACEM devised a campaign providing more information on the road environment with the aim of helping riders to make better choices and contribute to improving their own safety.



### Lucky 13

ACEM chose a cartoon to help motorcycle and scooter riders avoiding the potential risks related to the infrastructure. The cartoon was launched at the European Road Safety Day organised by the European Commission in Paris in October 2008.

The objective of this safety campaign was to raise the riders' awareness about the potential risks coming from the roadway itself. The campaign featured 13 different situations each focussing on a particular risk factor with tips and recommendations to riders.

The whole series can be downloaded in 11 languages at [www.acem.eu/cartoon](http://www.acem.eu/cartoon)





# ENVIRONMENT

## “Towards parity with cars”.

PTWs require ten times less energy to manufacture and recycle than passenger cars.

In developing, manufacturing and marketing their vehicles, ACEM Manufacturers assure the highest standards and full compliance with stringent environmental norms.

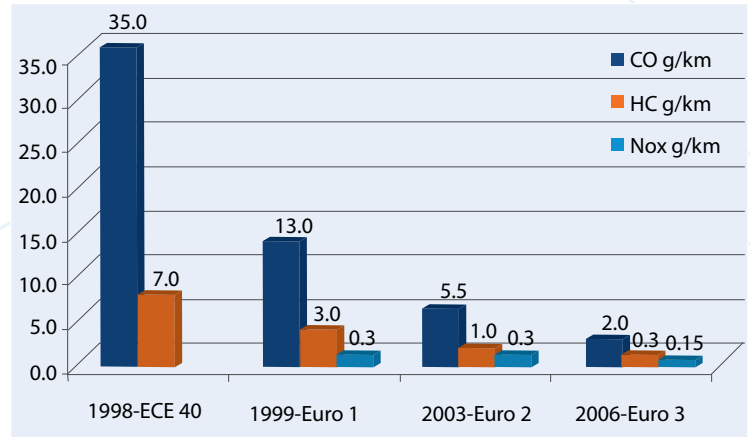
However, in view of the growing participation of PTWs in European’s mobility at the horizon 2020, ACEM members are engaged in a process that will lead to further reduce the PTW contribution to the total road transport emissions. The European Commission’s upcoming proposal for a Framework Regulation on Type-Approval of Two- and Three-Wheel motor vehicles and quadricycles will entail actions related to further reduction of local pollutants and CO<sub>2</sub> measurement.

## Regulated Pollutants

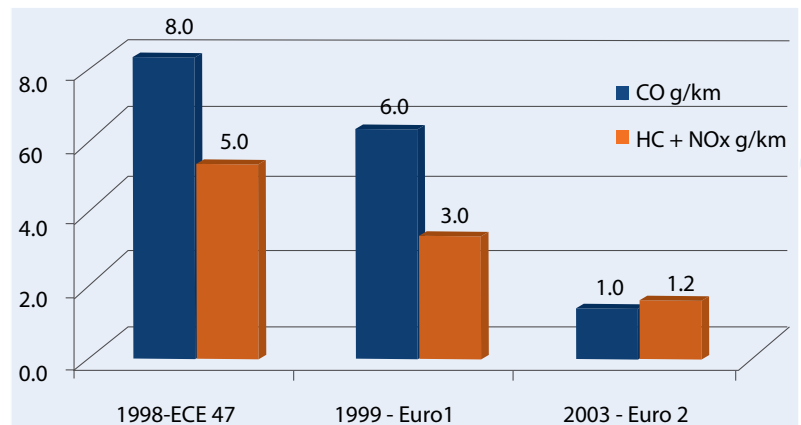
### Achieved progress

Over the last decade PTWs achieved remarkable progress in reducing their environmental impact, with a 94 % reduction of CO and HC for motorcycles and 88 % reduction of CO for mopeds.

Limit Values Motorcycle Class II (>150cc)



Moped 2 stroke / 4 stroke (50cc)





### PTWs are penalised by regulatory delays

The reduction process of PTW emissions started in 1999, i.e. 7 years behind passenger cars. Currently, new mopeds and motorcycles comply with Euro 2 and Euro 3 steps respectively, while passenger cars meet Euro 5 and a further Euro 6 step is in the pipeline.

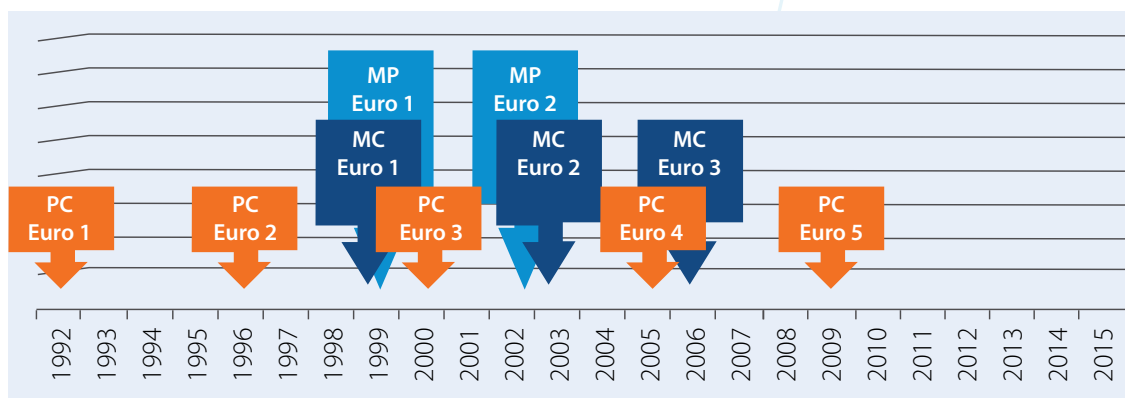
The graphic representation of the Euro stages reveals the higher priority the Institutions attributed to passenger cars so far. This is understandable given the size of the car fleet, about ten times bigger than the PTW fleet. However, this delay is disproportionately affecting the overall contribution of PTWs to transport related pollution.

### PTW NOx emissions

"PTWs are negligible contributors to total NOx emissions, where heavy duty vehicles dominate.

Therefore, although NOx contribution from mopeds and motorcycles is increasing due to the gradual shift from rich to stoichiometric combustion, they are not considered to exceed ~2% of total road transport NOx emissions by 2020."<sup>3</sup>

Introduction of Euro reduction stages for passenger cars, motorcycles and mopeds



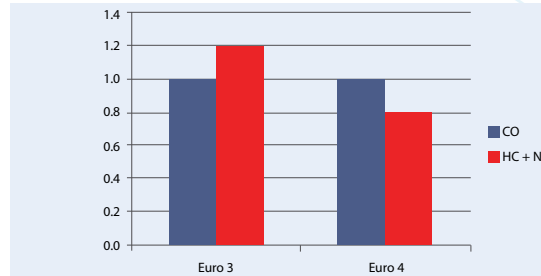


### ACEM proactive proposals

To address this issue, ACEM members have proposed, at the occasion of their 5th Annual Conference in Brussels on 1 December 2008, to set two new emissions reduction stages: Euro 3 and Euro 4 for mopeds and Euro 4 and Euro 5 for motorcycles. These new Euro standards are proposed to be introduced in the legislation for application in 2012-2013 and 2015-2016 (dates subject to the upcoming legislative process).

The proposal will be accompanied by a more representative emission test cycle for mopeds and by the worldwide motorcycle test cycle (WMTC). These cycles will be able to accurately reproduce the typical dynamic and usage of both PTW categories.

### ACEM proposal Euro 3 and Euro 4 for moped (2012 & 2015\*)

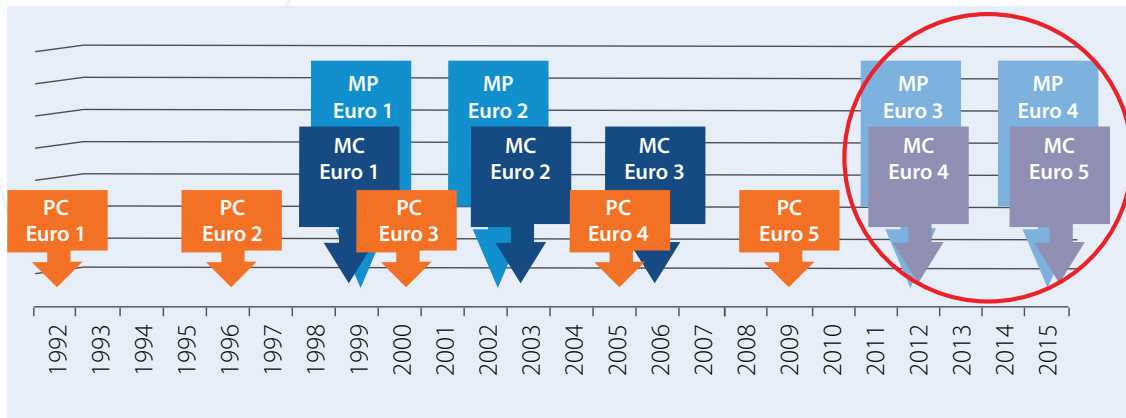


Euro 4 limit values

- CO = 1.0 gr/km = Euro 5 passenger car
- HC + Nox 0.8 gr/km (-33%/Euro 2)

ACEM proposal for Euro 3 and Euro 4 for 3-wheel moped, tricycle and quadricycle (2012 & 2015\*). ACEM proposes a reduction in the range of 50% Compared to Euro 2 for all regulated pollutants.

### Introduction of new emissions reduction stages proposed by ACEM

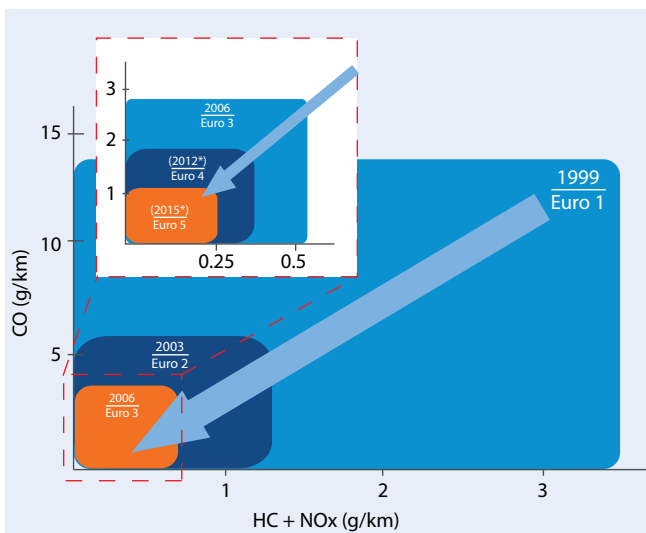




## Motorcycle emissions

While the proposed Euro 4 stage will quickly achieve a 25% reduction over Euro 3 in tailpipe emissions for motorcycles, the proposed Euro 5 stage will realize a further 25% reduction and achieve the goal of parity with Euro 5 gasoline passenger cars (as envisaged by LAT, the Commission's consultants).

The first proposed step is fundamental to bring an earlier significant reduction of the contribution of the motorcycle fleet, while the second provides sufficient lead time to comply with industrial design and production constraints. Moving from current Euro 3 to Euro 5 will determine a 50% reduction of motorcycle pollutant emissions.



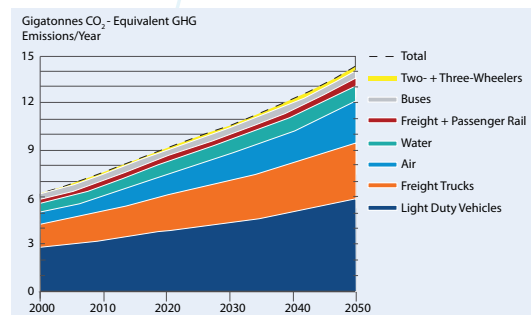
**ACEM's dual-stage proposal to reach car Euro 5/6 emission performance by 2015\***

(\*dates subject to legislative process)

## CO2

The CO<sub>2</sub> contribution of motorcycles, mopeds, tricycles and quadricycles to overall transport is marginal. According to projections, it will further fall and remain marginal in the future, compared to other transport modes. Considering the fact that PTWs emit lower amounts of CO<sub>2</sub> compared to passenger cars, the increase in trips done by PTWs will actually have a positive effect in the overall reduction of CO<sub>2</sub> emissions from road transport.

ACEM members, committed to contributing to the reduction of CO<sub>2</sub> in transport, support the introduction of CO<sub>2</sub> measurement for PTWs as part of the upcoming Euro stage. Labeling would then become possible to ensure objective consumer information and orienting the modal choice of citizens in transport. ACEM regards these steps to be essential in ending speculation about the CO<sub>2</sub> and fuel efficiency performance of PTWs.



**CO<sub>2</sub> emissions of different transport modes**

Source: WBCSD Sustainable Mobility Project calculations



### PTW CO2 Facts and Figures

- PTW contribution to European road transport CO2 is predicted to remain stable around 1.3%.
- Average PTW CO2 level is already well below the car 2012 average mandatory target.

### PTWs, a much more energy efficient means of transport

“PTWs appear as much more energy efficient means of transportation than passenger cars and their activity should be promoted as a measure to further control GHG emissions from road transport. The energy efficiency labeling regulation should be formulated in a way that will not affect the sensitive PTW market.”<sup>4</sup>

## Noise

PTWs for use on European public roads undergo a set of tests including the control of noise levels. Excessive noise is caused by the use of illegal (non type-approved) exhaust systems and aggressive riding behaviour. The same type-approval testing procedure does not apply to every exhaust system. Type-approved non original exhaust systems may violate legal noise levels, due to less stringent type-approval testing conditions. Simplification and harmonisation of the legal framework setting equally stringent measures to every exhaust system, should contribute to reduce the problem of illegal noise levels.

## Periodic Inspection

Increasingly stringent type-approval requirements determine motorcycle manufacturers having to invest into more complex and refined technologies to ensure the vehicles' compliance to higher standards.

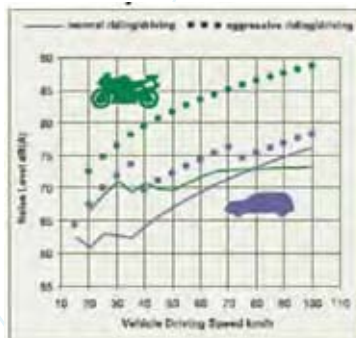
Correct maintenance is necessary to guarantee the vehicle's proper environmental performance over its lifetime.

Servicing also makes an important contribution to road safety, ensuring the good working conditions of wheels, tyres, brakes and lighting.

Currently, a majority of Member States have introduced PTWs periodic roadworthiness testing for environmental and safety reasons.

However, PTWs are the only vehicle not falling under the scope of Directive 96/96/EC. ACEM members support the inclusion of PTWs in the scope of Directive 96/96/EC, with appropriate periodicity requirements. Environmental checks should focus on tailpipe emissions and exhaust system noise.

### Motorcycle noise



Motorcycles fitted with a type-approved road legal exhaust system emit similar noise levels to passenger cars.







## ECONOMY AND COMPETITION

**“Growth through a level playing field”.**

The PTW industry plays an important role in the EU in terms of the economy and jobs. Europe has been a leading production base for Powered Two-Wheelers since the invention of the motorcycle in the late 19th century. More than a century later, the motorcycle industry remains at the forefront when it comes to investment in innovation, quality and design. Europe is a key market for many non-European brands, to the extent that specialist knowledge and closeness to consumers have led to the establishment of production facilities in the EU. Over the last two decades, there has been growing competition from emerging economies manufacturers on the EU market.

For the industry to thrive, it is necessary to ensure a level playing field and provide equal access to opportunities on the EU and extra-EU markets.

### The PTW Sector at a Glance

The PTW sector is too often assimilated to the automobile one. This oversimplification hides very peculiar characteristics, which regulate the economic dynamics of a branch, whose main aspects can be summarised by the words “flexibility” and “diversity”.

In the EU27, more than 38,000 enterprises operate in the PTW sector, in which more than 800 are dedicated to a certain form of production of PTWs, from artisanal manufacture of unique personalized models up to industrial series production, the core activity of the

Names such as Peugeot (France) and Triumph (UK) have been in motorcycle manufacturing since the earliest days. Others such as BMW (Germany) formed soon after. Indeed, Europe gave birth to new motorcycle brands that quickly grew providing utility and leisure mobility as shown by Piaggio (Italy), Derbi (Spain), Ducati (Italy) and KTM (Austria). Manufacturers such as Honda, Suzuki and Yamaha (Japan) established European production facilities. Brands like Harley-Davidson (USA), Kawasaki (Japan) and Bombardier Recreational Products (Canada) equally set up their distribution businesses in Europe.

branch. Around 80% of these enterprises are located in 6 Member States: Austria, France, Germany, Italy, Spain and the United Kingdom.

The organisation of the distribution, maintenance and repair of motorcycles satisfies the proximity needs of the consumers through 37,000 points of sales and services spread over the territory of the Union. PTW distribution and services represent 2/3 of the employment of the sector, which accounts for more than 150,000 jobs as a whole. The above mentioned six countries also account for the largest shares in the sector’s employment.

In 2007, the turnover of the entire PTW sector was estimated at 34 billion Euro. Out of these, the manufacturing of motorcycles accounted for nearly 7 billion Euro, with a breakdown across the Member



States similar to that of number of enterprises.

Small and Medium Enterprises represent a fundamental characteristic of the sector as a whole, with almost 98% of the total number of businesses and 3/4 of the PTW manufacturers. This reality often goes unnoticed due to the reputation of international PTW manufacturing groups, directly in ACEM membership.

#### **SMEs, a reality of the PTW sector**

**In the EU, enterprises operating in the manufacturing of motorcycles have an average of 30 persons employed each. A large number of these SMEs are indirectly represented in ACEM through National Associations. Companies involved in PTW distribution and services employ an average of 3 people.**

Characterised by a high seasonal effect influenced by climate conditions especially in Northern and Central Europe, manufacturers are used to adapt their production capacity to the market demand, which varies in huge proportions.

#### **The seasonal effect**

**On a monthly basis, the variation of the registrations is affected by a factor 3.**

Another characteristic is given by the management of a wide variety of different models, ranging from small 50cc scooters up to large displacement touring motorcycles. This impacts all the industrial and commercial chain, from research and development, product planning, logistic, production, up to

marketing, distribution, and services. It requires constant flexibility and reactivity from all the actors in the sector.

## **Internal Market**

### **Increasing Competition in the PTW sector**

The graph on the facing page shows the trend of the PTW market through the evolution of manufacturers' volumes between 1999 and 2008.

The main trend highlighted here is the dynamism of the PTW market, open to an increasing number of new players, providing consumers with wider choices, value and benefits.

#### **The European PTW market:**

##### **High competition**

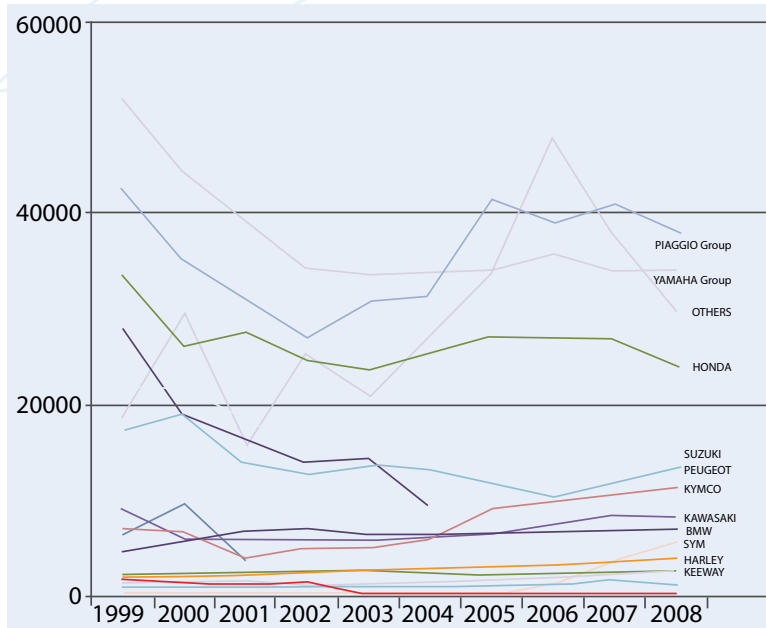
**At the end of 2009, the CIAcem project recorded the following figures:**

- **Number of manufacturers in competition: 380**
- **Number of commercial brands in competition: 818**
- **Number of models on the market: 12,221.**

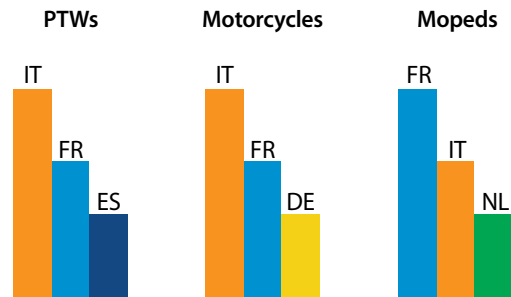


### PTW (Moped + Motorcycle) registrations/deliveries 1999 - 2008 by brand

Source : CIAcem<sup>5</sup>



### Top 3 European markets in 2009





## Main Market Trends

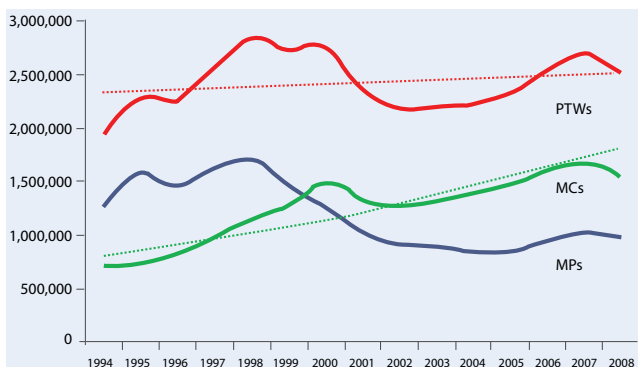
The total volume of registrations and deliveries culminated at 2.7 million units in 2007. The period 1994 – 2008 is marked by a positive trend more accentuated for motorcycles, whose market share represents more than 60% of all PTWs. The smallest displacements (between 50 and 125cc) are the most represented engine capacity classes with more than 60% altogether.

However, it should be noted that the 125cc class doubled its volumes over the last 5 years, reaching about half million registrations on a yearly basis. The combination of individual urban mobility needs and licensing provisions decided at national level by some Member States are the main triggers of this trend.

The increase of individual mobility needs influences positively also the scooter segment, which now dominates the PTW market and reaches a 57% market share in 2009.

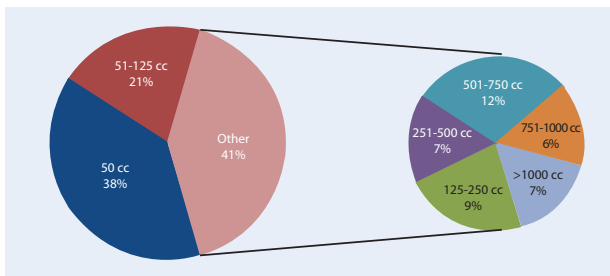
The evolution of the PTW circulating park reflects these market trends and shows an increase of 50% over the last 15 years. This tendency allows a conservative forecast of the PTW fleet in the range of 35-37 million PTWs at the horizon of 2020.

### PTW, Moped and Motorcycle registrations/deliveries 1999 - 2008 Source : CIAcem<sup>1</sup>

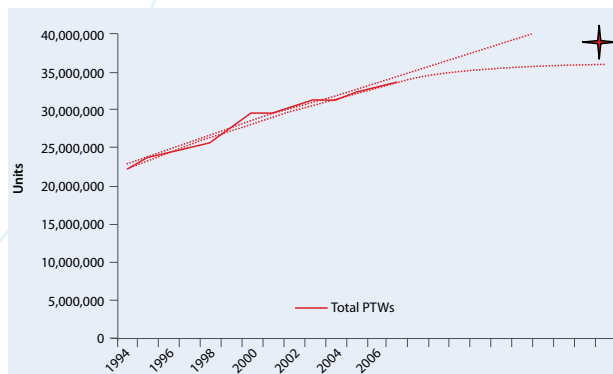


### PTW split by cc Class - EU 2008

Source : CIAcem<sup>1</sup>



### PTW Circulating Park Evolution and Forecast





## 2009: the impact of the crisis

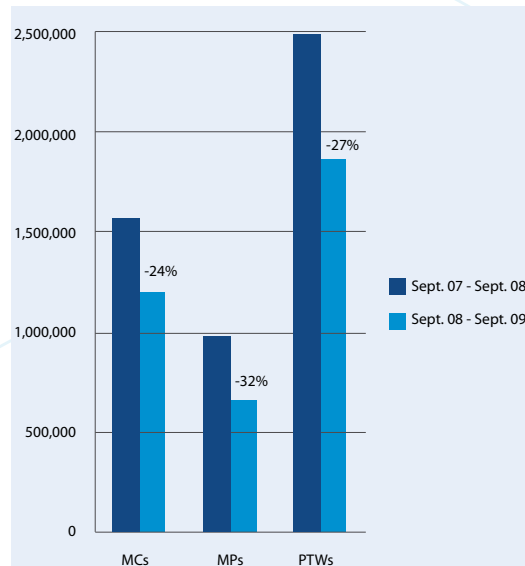
Initiated in the second part of 2008, the economic and financial crisis had its full impact on 2009, when market figures recorded an exceptional drop (-25%), affecting more severely the moped segment (-30%).

### New Member States more impacted by the crisis

The new EU 12 countries recorded a -36% drop, compared to a -20% in EU 15 Member States.

Medium-term measures to bolster demand for PTWs have thus far been isolated and inadequate, and require further coordination by the European Commission. Unlike the situation in the automotive sector, only Italy lost no time in providing a scrappage incentive, the effects of which were positive for the market and the environment, as the most polluting old vehicles were taken out of circulation. Italy moved from an initial situation, in the first two months of 2009, of market decline of around 35% to an almost balanced situation at the end of 2009 compared to previous year. On the opposite, a series of inappropriate measures taken by the Spanish administration heavily impacted the market that records a historical drop of about 50%.

PTW market: Sept.07-Sept.09



### Own-initiative opinion of the European Economic and Social Committee on the PTW sector

In the current challenging economic context, the European Economic and Social Committee (EESC) has doubled its efforts, in order to bring a positive contribution to the current reflections on how to support the European economy. Within such context, the EESC is currently finalizing an own-initiative opinion, addressed in particular to the European institutions, on the theme « Industrial change and prospects for the motorcycle industry in Europe ».

[www.eesc.europa.eu](http://www.eesc.europa.eu)



## The Vertical Agreements Block Exemption Regulation

The competition law framework provided by the Vertical Agreements Block Exemption Regulation has served its purpose, offering manufacturers, dealers and consumers a balanced and mutually beneficial business environment.

As a result, competition on the European PTW market has increased. There have been many new entrants adding to the already strong competition over the last few years, especially from South-East Asian brands. ACEM expects the number of new entrants will continue to rise, bringing even more competition on the European PTW market and even wider choice to the consumer.

In order to maintain continuity and legal certainty for a further period of at least 10 years, the new vertical block exemption regulation currently in the legislative process should favour continuity and allow building on the positive experience so far.

## Internal Market and Fair Competition - Evidence of unfair practices

Since 1992 EU legislation on the type-approval of two and three-wheeled motor vehicles regulates and harmonises the construction standards of PTWs. This process achieved a reduction in the overall extent of type-approval testing, compared to compliance with previous national regulations.

Nonetheless the resultant EU Type-approval process remains complex and expensive. ACEM has observed cases where vehicles sold on the EU market do not meet type-approval standards, showing that manufacturers or importers avoided compliance, deliberately or otherwise, in order to gain an unfair competitive advantage, thereby also posing a threat to the health and safety of users and citizens.

Over a period of several years strong evidence has been gathered indicating that a concerning number of motorcycles, scooters and mopeds imported from manufacturers based in the Chinese Peoples Republic (CPR) do not comply with the standards required by the conformity of production obligations in Directive 2002/24/EC.

### **Regulation 2790/1999 brought benefits to PTW manufacturers, dealers and consumers:**

- The ability of manufacturers to adopt both Selective and Exclusive distribution systems has provided a useful element of flexibility in determining the best system to use to achieve the most competitive business position.
- The absence of a Location clause has enabled manufacturers to decide the optimum number and location of official dealers for not only customer convenience, but also to protect the dealers' significant investment.

**The application of minimum standards criteria as determined by the manufacturer has been to the benefit of the consumers, in terms of the quality and consistency of dealers' sales and after sales service.**



This practice poses a threat to consumers at risk of buying potentially unsafe products, to the environment and to manufacturers who must struggle with an unfair competition.

Non compliance with type-approval is used as an unfair cost reduction factor in addition to the enormous differential in labour costs between China and the EU.

The preparation of the new Framework Regulation creates an opportunity to review the compliance arrangements, and recommendations have been made for improvements. A failure to address these deficiencies carries the risk that the type-approval process will be devalued, and simply become a costly bureaucratic exercise burdening those willing to “play by the rules”, and avoidable for those less scrupulous.

ACEM defends the right of European and extra EU manufacturers to compete in the EU market on a level, fair and mutually respected playing field.

Market surveillance authorities have a key role in contributing to maintain a level playing field. Control programmes of imported PTWs should be developed with adequate means enabling market surveillance authorities to perform efficient and systematic checks.

#### **Evidence from Italy**

PTWs imported from CPR that were tested in 2009 failed to comply with EU Type Approval in several respects. Again, braking non compliances featured, 3 of which were potentially dangerous, and excessive CO emissions were evident, varying from 20% over the conformity of production limit, through 5 and 10 times the limit, to being outside the scale on the test equipment.

#### **Evidence from the UK**

In 2007 UK's Department for Transport (DfT) carried out tests on 4 PTWs as part of its Type-approval compliance programme. All four motorcycles were manufactured in the Chinese People's Republic by major CPR manufacturers.

The compliance project was carried out by the Vehicle Certification Agency (VCA) on behalf of DfT. Some 95 assessments were carried out and there were some 21 failures of compliance.

### **International Trade**

The global dimension of business is gaining importance for PTW manufacturers. Export towards emerging markets, investments abroad and the economic downturn at home reinforce the notion of trade without barriers.

Global trade agreements aiming at delivering free markets are still believed to be the most beneficial for the prosperity of this sector. The PTW sector fully supports the dismantling of EU import duties, accompanied by equivalent opportunities worldwide for European manufacturers.





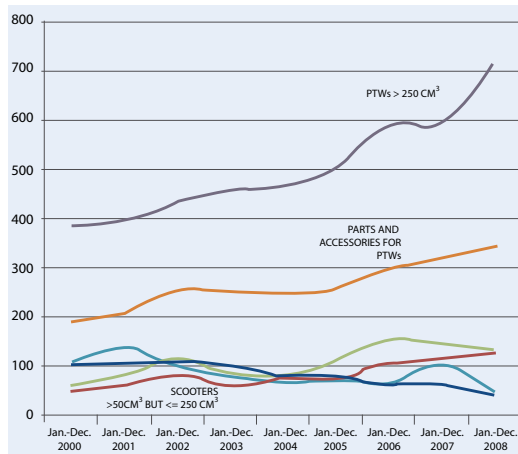
## Exports

Exports of the European PTW industry show a remarkable continuous progress over the period 2000 – 2008 in particular for what concerns motorcycles above 250cc, scooters with a cylinder capacity comprised between 50 and 250 cc, spare parts and accessories.

The main customer countries for the EU PTW industry are the US, Japan and to a lesser extent Vietnam and Russia.

### Extra-EU exports 2000-2008 in million €

Source : Eurostat



## Imports

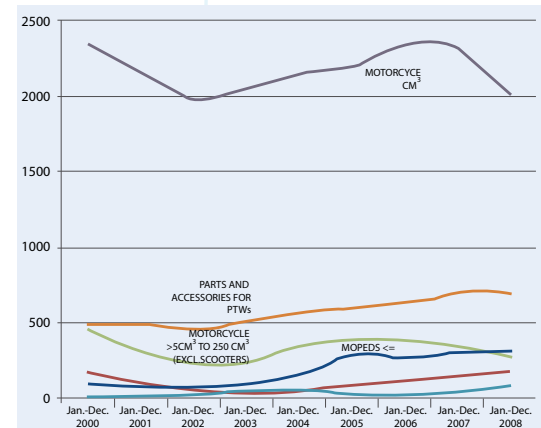
Imports show, if not a negative trend, at least a clear stagnation for motorcycles above 250cc. To a lesser extent, a similar trend can be observed for the 50-250cc motorcycle segment.

Imports of spare parts, accessories and mopeds benefited from the attractiveness of low costs.

The main supplier countries of the European PTW market are Japan, China, the US and Taiwan.

### Extra-EU imports 2000-2008 in million €

Source : Eurostat





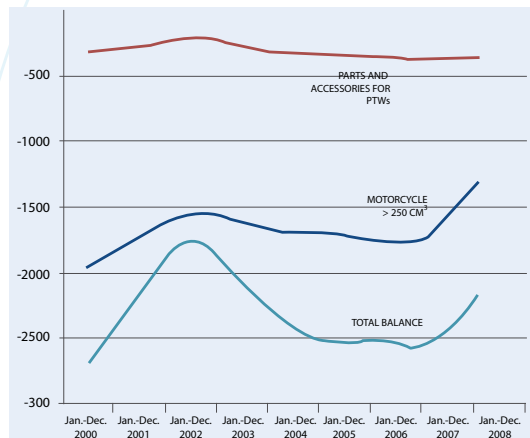
## Trade Balance

Although a very encouraging trend for motorcycles of a cylinder capacity above 250cc can be observed, this segment together with spare parts and accessories are the main contributors to the trade deficit.

The main partner countries contributing to the trade deficit are Japan, China, Taiwan, and Thailand.

## Extra-EU trade balance 2000-2008 in million €

Source : Eurostat



## Competitiveness through Access to Extra-EU Markets

Most South-East Asian markets do not allow the imports of high engine capacity motorcycles, by adopting barriers. South Korea provides a unique example: despite the signature of a bilateral trade agreement with the European Union, large motorcycles have no possibility of being marketed in this country.

### Highway Bans

Korea, unlike other developed countries, prohibits all motorcycle traffic on its toll ways, major highways and designated bridges. Additionally, certain roads in Korea, including many new national roads, are sometimes designated “automobile-only”, thereby also prohibiting PTWs. There is no underlying rationale for imposing such motorcycle bans.

These bans severely limit the utility and enjoyment of large displacement PTWs, whether for basic transportation or leisure touring, making them undesirable to the average Korean consumer.

Similar prohibitions exist in some other Asian countries, in particular in China, the first worldwide market for PTWs (in terms of units) as certain cities or districts limit PTW registrations, while others simply prohibit PTWs from circulating.

### Tariffs and Taxes

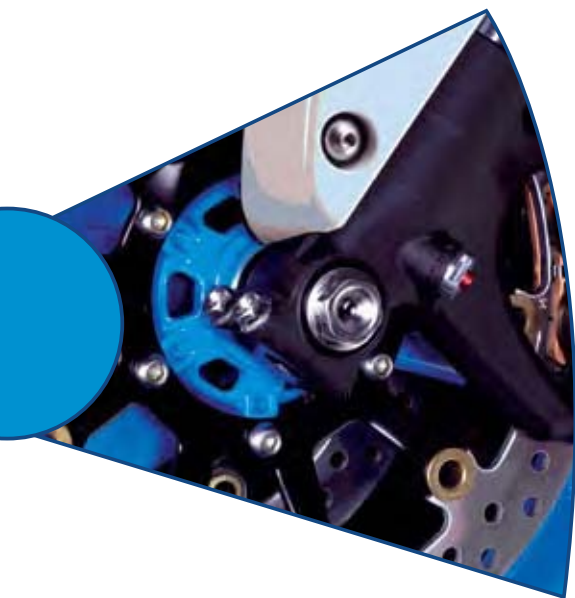
In addition to a significant set of taxes (luxury tax, some form of VAT, registration tax, etc.), many countries maintain motorcycle tariffs. These duties and taxes raise the retail price of PTWs to levels far exceeding the means of most customers. In this respect, India with a market ranging in the area of 8 million PTWs, imposes a 100% tax, leading the group of countries with the highest import duties.



The removal of this extraordinary duty would establish a fair and balanced situation of the exchange terms between these countries and the European Union.

### **High Potential of PTW Exports**

Asian and South American motorcycle markets represent a very significant growth potential, in terms of PTW sales. In the short term, 4-5 years, the value of ACEM manufacturers products could easily reach a balance, should the aforementioned barriers be removed. This scenario could easily lead to a positive exchange balance in terms of value in favour of the EU and, with the further expansion of distribution capabilities, exports could reach around one billion €.



### **Selection of some of the highest PTW import duties**

- India 100%
- Vietnam 90%
- Thailand 60%
- Philippines 30%
- Malaysia 30%
- Brazil 20%
- Argentina 20%

### **Selected figures of PTW Asian markets: (million units 2008)**

- China 17.3 +
- India 7.3
- Indonesia 6.2
- Thailand 1.7
- Philippines 0.6

### **UN-ECE regulations**

A short term introduction plan of all PTW related UN-ECE regulations in South-East Asian and South American countries would certainly result in a harmonized situation beneficial for manufacturers and consumers.



## HOW DOES ACEM WORK?

ACEM's membership is composed by 12 manufacturers and 17 national associations of 14 countries with business activities and interests in all the EU and beyond. In order to ensure its mission, the Association is structured in Committees, each addressing a specific policy field. Where required ACEM sets up task forces made up by experts pursuing specific goals.

The 5 Committees deal respectively with Integrated Transport Policy, Environment, Regulatory Affairs, Road Safety and Market Policy. A Coordinating Committee oversees the activity of the Committees.

ACEM permanently liaises with the European Institutions such as the European Commission, the European Parliament, the European Economic and Social Committee and, through its members, the Council of Ministers. Technical matters related to PTWs are dealt by ACEM with the European Committee for Standardization.

As a member of IMMA, the International Motorcycle Manufacturers Association, ACEM is represented within UNECE, the United Nations Economic Commission for Europe, and the International Transport Forum under the aegis of the OECD (Organisation for Economic Co-operation and Development).

ACEM takes part in the Motorcycle Community, together with FEMA (Federation of European Motorcyclists' Associations) and FIM (Fédération Internationale de Motocyclisme).

ACEM is a member of the Forum for Automobile and Society, and of Mobility for Prosperity in Europe.

### ACEM Organisational Chart:

**Stefan Pierer, President (KTM)**

**Hendrik von Kuenheim, Vice President (BMW Motorrad)**

**Leo Francesco Mercanti, Vice President (Piaggio Group)**

- Dietmar Krohm, Coordinating Committee (BMW Motorrad)
- Kathrin Stolz, Legal Affairs Committee (BMW Motorrad)
- Pascal De Jonge, Road Safety Committee (Honda Motor Europe)
- Bob Mills, Environment Committee (Triumph)
- Garry Brumfitt, Market Policy Committee (Harley-Davidson Europe)
- Craig Carey-Clinch, Integrated Transport Policy Committee (MCIA)



## The Activity of ACEM's Committees



**A presentation by  
ACEM's Coordinating  
Committee Chairman**

**Dietmar Krohm**

*"Providing a long term perspective for an innovative, competitive and sustainable Powered-Two-Wheeler industry in Europe"*

Passion and emotions, this is how the Powered Two-Wheeler sector is generally seen. In spite of this partial perception, the motorcycle industry constantly questions its mission and its products with the ambition of delivering vehicles and products that are not only welcomed by customers for their mobility needs and leisure activities but also contribute to the development of the economy in a responsible and durable way.

As an industry active in the European manufacturing sector we have a major interest in paying special attention to the economic and social aspects of our business. This is why we looked into the many challenges faced by our industry and elaborated a strategy aiming at carrying the PTW industry further toward a secure and sustainable future.

As any other manufacturing business the Motorcycle Industry has always faced challenges and opportunities. In order to anticipate the market as well as expectations from policy makers and stakeholders, ACEM has undergone a wide-reaching process of analysis which identified priorities and lead to the

commitment of taking part to the discussions with the European Institutions in a proactive way.

To safeguard the future of the motorcycle industry in Europe, its employment as well as its contribution to transport, it is necessary to transform challenges into opportunities balancing short term difficulties with the long term opportunities that lie ahead. That being said, in the current difficult economic context, it is also fundamental to keep the focus and establish priorities and objectives, which can be achieved.

ACEM developed specific agendas in fields such as competitiveness, intellectual property rights, road safety, environment, and mobility - with a special focus on urban mobility.

ACEM's industry commitments give further momentum to the strategy of the sector setting tangible goals that will shape its future. More lie ahead but the discussions held within the Coordinating Committee all aim at strengthening an innovative, competitive and further sustainable Powered Two-Wheeler industry in Europe.

Providing a long term perspective that will lead to this objective in a coordinated way. This is the task that underlies the Coordinating Committee's works.



## Integrated Transport Policy Committee

### Craig Carey Clinch

*"Thanks to their limited dimensions PTWs do not suffer from, nor create, congestion"*

Congestion, lack of integrated transport policies and underdeveloped infrastructure prevent mobility, economic growth and quality of life in Europe. This challenge is true especially for European cities where 80% of the population will live in 2020 and deserves dedicated strategies where PTW can prove a sustainable way to solve the problem.

Cities need efficient transport systems to support their economy and the welfare of their inhabitants. Around 85% of EU GDP is generated in cities. Urban areas face today the challenge of making transport sustainable in environmental (CO<sub>2</sub>, air pollution, noise) and competitiveness (congestion) terms while at the same time addressing social concerns.

Urban mobility is of growing concern to citizens. Nine out of ten EU citizens believe that the traffic situation in their area should be improved. The choices that people make in the way they travel affects not only future urban development but also the economic well-being of citizens and businesses. In recent years cities have experienced a boom in PTW use with increases of 87% for cities such as Rome and Barcelona. For these reasons ACEM appointed a Integrated

Transport Policy Committee to discuss these challenges and contribute to the public policy debate on urban mobility.

The Committee also works closely with National Associations, in order to generate initiatives at Member State level. The Committee has also been proactive in considering how best to develop the role of National Associations and their consideration of European issues with Member State governments.

A broad range of issues are considered from integrating PTWs into transport plans, to more specific measures such as reducing PTW users vulnerability through positive traffic management and infrastructure measures. Other key measures include access to bus lanes and recognition of the positive role of PTWs in, traffic congestion reduction, reduced journey times, lower costs and a better environment.

The Committee developed and published the ACEM infrastructure guidelines, which have been disseminated to a wide range of public authorities and road safety organisations. The Committee initiated and developed the 'Lucky 13' campaign in order to raise rider awareness of infrastructure issues and their effect on safety. 'Lucky 13' has appeared in numerous European publications.

In considering the safety 'triangle' (vehicle-human-infrastructure) the Committee is demonstrating that ACEM is playing its part in the shared responsibility of PTW safety in a holistic fashion. ACEM invites public authorities to take notice of good practices in transport policy and roads infrastructure as they relate to PTWs and integrate them into as soon as possible in their key transport policies.



## Road Safety Committee

### Pascal De Jonge

*“Safety is one of the top priorities for the Powered Two-Wheeler industry”*

ACEM members discuss and develop within the Safety Committee industry positions and proposals on all safety related type-approval issues, whether they are to be introduced in the European Union or at international level (UNECE). Currently, ACEM's Safety Committee is deeply involved in working with stakeholders on the future EU PTW Regulation, aimed at simplifying motorcycle technical legislation and introducing new safety requirements. This new Regulation is expected to be implemented from around 2013.

ACEM's "Brake Commitment", proposing a 75% target of motorcycles to be equipped with advanced braking systems by 2015, is one of the measures developed with the contribution of this working group.

The Safety Committee, together with the ACEM Safe-

ty Coordinator, is in charge of overseeing ACEM's involvement in European projects that aim to improve the safety situation for motorcyclists. One of the most prominent projects currently ongoing in which ACEM is involved in, is eSum, identifying, developing and demonstrating measures designed to deliver safer urban motorcycling.

Powered Two-Wheelers need a specialised approach when it comes to accident analysis. The Safety Committee is working with accident researchers to ensure that a future, EU-funded large scale accident data collection and analysis project effectively incorporates the unique specificities of motorcycles and their dynamics.

The Road Safety Committee, in close cooperation with the relevant authorities, also supervises and develops the safety initiatives that the PTW industry have collectively engaged in, such as creating a mandatory scheme for periodical roadworthiness inspection for PTWs, developing a European standard with safety requirements for non type-approved motorcycles used on private terrain, etc.

Last but certainly not least, ACEM's Safety Committee will guide the industry towards an optimum participation in the upcoming 4th Road Safety Action Programme, currently under preparation by the EU Commission.



## Environment Committee

### Bob Mills

*"Playing our part in reducing emissions"*

The ACEM Environment Committee focuses on a wide-range of subjects relevant to the PTW industry. Members come from both manufacturers and national associations, bringing together a wide range of expertise, knowledge and experience.

The mission of the committee is to develop the industry's environmental policy, with the overall objective of reducing the environmental impact of products and processes.

Recently the industry presented the Commission with a roadmap towards parity with cars. Over the last decade PTWs already achieved remarkable progress in reducing their environmental impact; ACEM members nevertheless propose to achieve parity of motorcycles with passenger cars Euro 5 in 2015, for pollutant emissions. In the context of upcoming regulatory discussions within DG Enterprise of the European Commission, ACEM's proposal is to introduce a EURO 3 for mopeds and a Euro 4 stage for motorcycles in 2012, accompanied by a more stringent emission test cycle, and followed by a EURO 4

stage for mopeds and a EURO 5 stage for motorcycles in 2015. These would reflect the same emission reduction process undergone by passenger cars. These two steps allow a quick reduction of emissions and comply with industrial design and production constraints. Moving from current Euro 3 to Euro 5 will determine a 50% reduction of motorcycle pollutant emissions.

Although the CO<sub>2</sub> contribution of motorcycles, mopeds, tricycles and quadricycles to overall transport is marginal, ACEM members are committed to playing their role in reducing CO<sub>2</sub> in transport. This is why ACEM members support the introduction of CO<sub>2</sub> measurement for PTWs as part of the upcoming Euro stage as a necessary first step in the direction of a CO<sub>2</sub> strategy for PTWs. Labelling would then become possible to ensure objective consumer information. The committee is proactive, with a long history of participation in major motorcycle-specific environmental projects such as the world harmonised emissions test (now a UN ECE global technical regulation) and the ISO noise test.

Currently the committee is heavily involved with the European Commission in co-operatively developing the future Powered Two-Wheelers technical legislation which will lead to an improved participation of motorcycles, scooters and mopeds in the mobility of European citizens.

Other significant work items currently include participation in developing a revised ECE R41 noise regulation, and keeping abreast of horizontal legislation that impacts our industry.





## **Market Policy Committee**

### **Garry Brumfitt**

*"The market in which the European Motorcycle Industry operates is facing greater and greater challenges"*

The motorcycle market is now truly global with Powered Two-Wheelers being exported from Europe to all corners of the world and, of course, machines coming into Europe from all established markets and many emerging markets which are becoming world leaders. The Market Policy committee works with the EU and other countries to try to ensure fair and equitable trade between all nations in the world.

The PTW industry needs information with which to measure and plan its activities towards ensuring that it is always able to provide the machines which the customers want and which are acceptable to society. To this end ACEM collects and produces statistics which are available to ACEM Members and it is currently exploring the possibility of forward forecasting market trends to again help the industry planning in providing what the customers and society want when they want them.

The wellbeing of motorcycle riders and their vulnerability to serious injury in the case of an accident is a major concern to Industry all and forms the bedrock of much of the activities of this Committee.

The expertise and experience of manufacturers in marketing and advertising is drawn upon by this committee to develop campaigns to get the message across to riders and all other road users of the importance of riding and driving with care and respect, understanding and appreciating each others' strengths, weaknesses and vulnerabilities. Industry-wide guidelines are designed to ensure that the industry's own marketing and advertising activities fall within these parameters.

In order to accompany the developments of the market the Market Policy Committee develops and promotes training programmes to improve riders' skills and cognitive powers and works with other like-minded groups to ensure their proper integration into the ongoing work towards safer motorcycling. Against this backdrop this Committee recently decided to devise a strategy to encourage the proper use of Protective Clothing and Equipment to ensure improved comfort for the rider and improved protection in the case of accident.

The Market Policy Committee works with the EC in developing licensing schemes to encourage the safe and proper integration of Powered Two-Wheelers into the transport mix. Much of this work is currently being directed towards the proper integration of the Third Driving Licence Directive by the European Commission and individual member states.

The Third Driving Licence Directive, coming into force in 2013, will affect millions of users, as well as the industry with the need to adapt production to the new categories created by the directive.



## Legal Affairs Committee

### Kathrin Stolz

*"Focusing on regulatory issues and providing information and legal counsel"*

The free trade represented by the common market of the European Union ensures fair and equitable competition in the interest of consumers and businesses. The role of ACEM's Committee dealing with legal matters is to provide counseling to the PTW industry in specific matters related to legal and regulatory issues when distortions arise.

The Legal Affairs Committee is made up of experts enabling ACEM to have a permanent input from the daily business and priorities of the industry. Through the lawyers and other specialists represented in this working group ACEM has access to a wealth of expertise and applied legal experience.

The Legal Affairs Committee provides clear and objective information on the many legal aspects of the PTW Industry and has engaged itself in monitoring

all legal matters related to the transport and enterprise sectors. It collects and provides factual legal information to the members of ACEM in cooperation with the other Committees.

Fair and transparent competition is one of the fundamental principles on which the European Union is built. This is why so many efforts are devoted to securing an open and equal market for everyone. The Legal Affairs Committee works to protect the legitimate use of brands and fosters the enforcement of intellectual property laws. Investigating infringements and counterfeits are one of the main concerns of this working group with the goal of safeguarding trademarks and designs.

Drawing on its expertise ACEM is able to design solid and legally sound strategies in defending the position of the industry in the decision making process.

Decisions of the Coordinating Committee containing legal aspects are prepared by the members of this committee as a response to and a cooperation with the actors involved who influence the PTW Industry. Currently the priority issues identified by the Legal Affairs Committee include Block Exemption Regulation on Vertical Restraints, intellectual property rights, the ACEM commitment on Advanced Braking Systems and the oncoming PTW Regulation.



## ACEM Secretariat

The office of ACEM is based in Brussels, where a staff of 7 persons work together to coordinate and implement all the activities of the network. The ACEM office is responsible for supporting the various Committees and Working Groups, for preparing meetings and conferences, and for providing a range of information and other services to members.



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## (Footnotes)

- <sup>1</sup> Further reading. ACEM Position Paper on the 3rd Driving Licence Directive (2006/126/EC): [www.acem.eu/cms/3dld.php](http://www.acem.eu/cms/3dld.php)
- <sup>2</sup> The Handbook can be downloaded at <http://www.acem.eu/cms/publications.php>
- <sup>3</sup> Study on possible new measures concerning motorcycle emissions - Laboratory of Applied Thermodynamics, Mechanical Engineering Department, Aristotle University, Thessaloniki - November 2008
- <sup>4</sup> Study on possible new measures concerning motorcycle emissions - Laboratory of Applied Thermodynamics, Mechanical Engineering Department, Aristotle University, Thessaloniki - November 2008
- <sup>5</sup> CIAcem: the European registration database project developed by ACEM manufacturers



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