

BMW GROUP AND THE FUTURE OF SUSTAINABLE (E)-MOBILITY.

III ANNUAL LATIN AMERICA CLEAN TRANSPORT FORUM.

San Jose, Costa Rica
September 20, 2017

**BMW
GROUP**



Rolls-Royce
Motor Cars Limited

CONVERGENCE OF MULTIPLE TRENDS IN THE AUTOMOTIVE INDUSTRY TO LEVERAGE THE POTENTIAL OF PERSONAL MOBILITY.

Automated



- Smooth traffic flow
- Reduce accidents
- Increase safety
- Increase productivity

Connected



- Optimize eco-routing
- Encourage multimodality
- Early warning
- Improved safety

Electrified



- Zero tailpipe emissions
- Increase energy efficiency
- Reduce sound
- Leverage renewable

Shared



- Reduce congestion
- Remove vehicles
- Replace old inefficient cars
- Reduce VMT

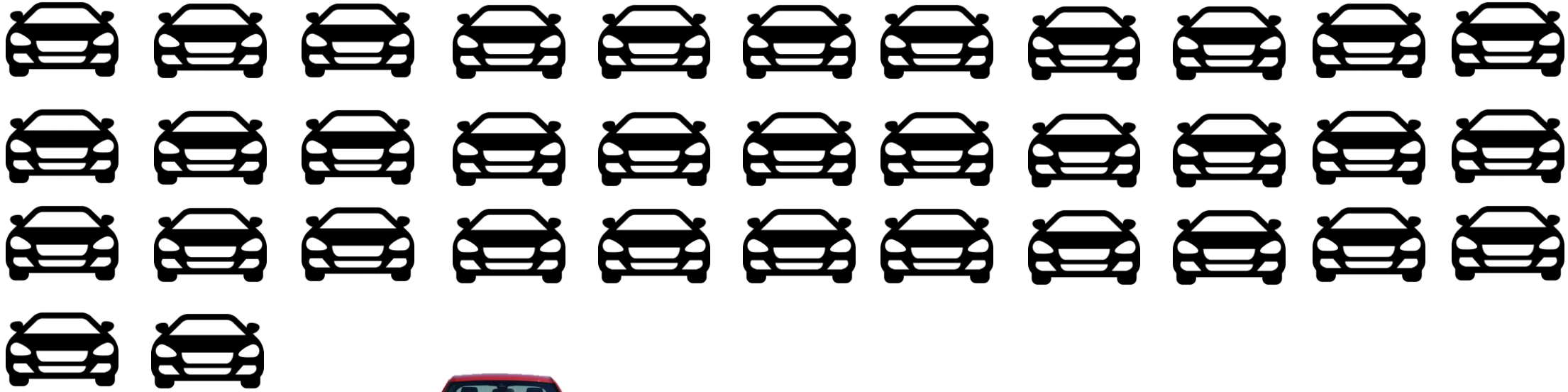
Sustainable mobility of the future

Proactive safety to ensure the full potential of these technologies

POR QUE LOS VEHÍCULOS ELÉCTRICOS.



WE ARE PARTICIPATING IN THAT GROWTH!



Each **36th** car worldwide sold is a **BMW**

WE ARE PARTICIPATING IN THAT GROWTH!



Each 36th car worldwide sold is a **BMW**



Each **8th**
electric car
sold
worldwide is a
BMW i

FRAMEWORK CLASSIFICATION FOR ELECTRIC VEHICLE INCENTIVES.

Monetary Incentives

Direct financial incentives For EV owners

- Purchase incentive for electric vehicles.
- Reduction / waiver of registration and/ or circulation tax.
- Reduction / waiver of consumption tax.
- Company car incentive.
- Subsidy for the installation

wall-box.

BONUS

Non-Monetary Incentives

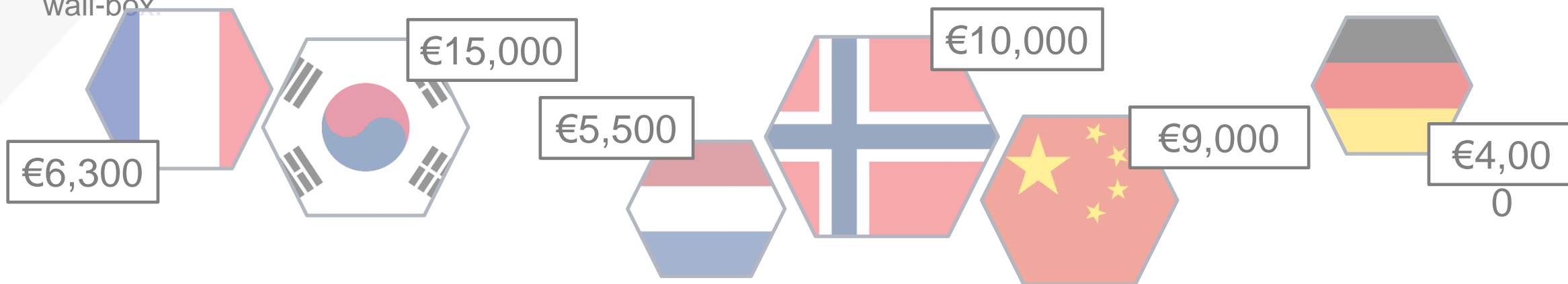
Qualitative and indirect support for EV usage

- Use of privileged lanes (e.g. bus or car sharing lane).
- Exclusive parking for electric vehicles; free parking and/ or free charging
- Preferential treatment for inner city toll systems.
- Exemption from congestion charges.

Framework Conditions

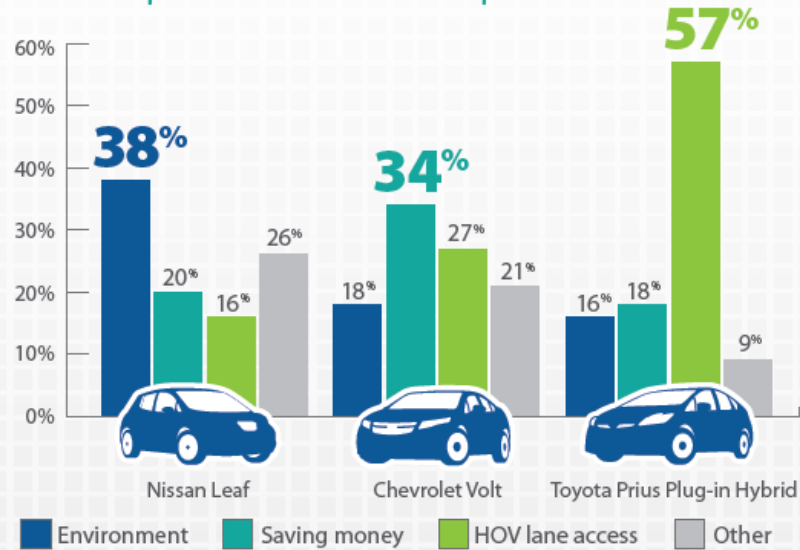
Measures to support the environment for EVs

- Public charging infrastructure.
- Awareness due to public demonstration and research projects.
- Public initiatives and cooperations supporting the uptake of EVs.
- Public procurement programs for EV fleets.

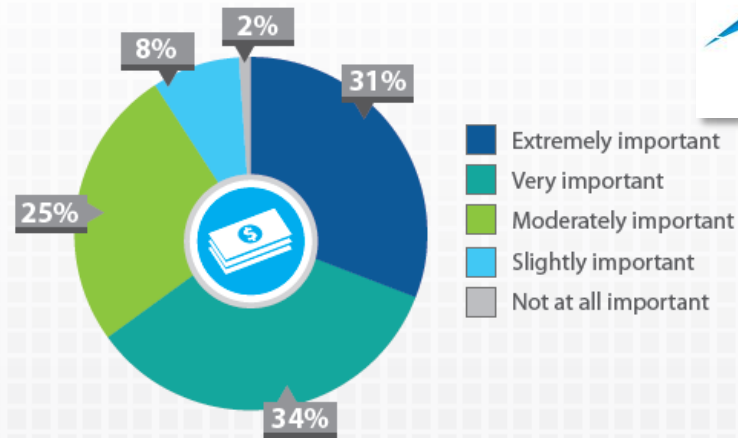


DECISION FACTORS FOR ELECTRIC VEHICLE PURCHASE IN CALIFORNIA. TOP MOTIVATORS.

Top three motivators for purchase



Importance of CVRP rebate



59% said having HOV lane access was extremely or very important in their decision to purchase a PEV



84% are displaying an HOV sticker on their vehicle



Source: California Plug-in Electric Vehicle Driver Survey.








INTRODUCTION OF BMW i IN THE AMERICAS.

BMW i. 	
2014	Brazil Canada Mexico USA
2015	Chile Colombia
2016	Costa Rica Panama
2017	Ecuador Uruguay



EV INCENTIVES- SELECTED MARKETS IN LATIN AMERICA.

	 BRAZIL	 CHILE	 COLOMBIA	 C. RICA	 MEXICO	 PANAMA	 ARGENTINA
Monetary and Tax Incentives	NO	NO	NO LUXURY TAX (Below \$50,000 FOB)	YES 13% VAT	YES Exempt: new vehicle & ownership tax	NO	NO
Import Incentives	YES REDUCTION ON IMPORTATION TAXES	NO	YES NO IMPORT DUTIES QUOTA	NO Legislation Pending	NO	YES NO IMPORT DUTIES	*YES REDUCTION ON IMPORTATION TAXES
Infrastructure Incentives	NO	NO	NO	NO	NO	NO	NO
Electricity Incentives	NO	NO	NO	NO	Preferential TARIFF	NO	NO
Vehicle use Limitations For Non Electric Vehicles	YES	YES	YES	YES	YES	NO	NO

- Colombia: 0% electrics and 5% PHEV
- Costa Rica: 10% VAT for hybrids only (regular tariff is 30%)
- Panama: Import tariff is 25% of CIF value for vehicles over US\$ 25,000
- Argentina: Importation Benefit Limited to local producers

BMW i – PUBLIC CHARGING INITIATIVES IN BRAZIL 2017.



BMW do Brasil Plan:

Identify motivated partners to install free public charging station on key spots in main Brazilian cities. BMW pays for installation and parking spot visual.



Premium supermarket:

Installed 10 Wall boxes for Public Charging.



Premium malls

Installed 3 Wallboxes. Plan to install additional 4 stations.



Gas stations:

Installed 1 Wallbox for Public Charging. Plan to install additional 49 stations nationwide.

BMW i - PUBLIC CHARGING EXAMPLES IN CHILE.



BMW i – PUBLIC CHARGING EXAMPLES COLOMBIA.



codensa



BMW i – PUBLIC CHARGING EXAMPLES IN MEXICO.



BMW Public Charging

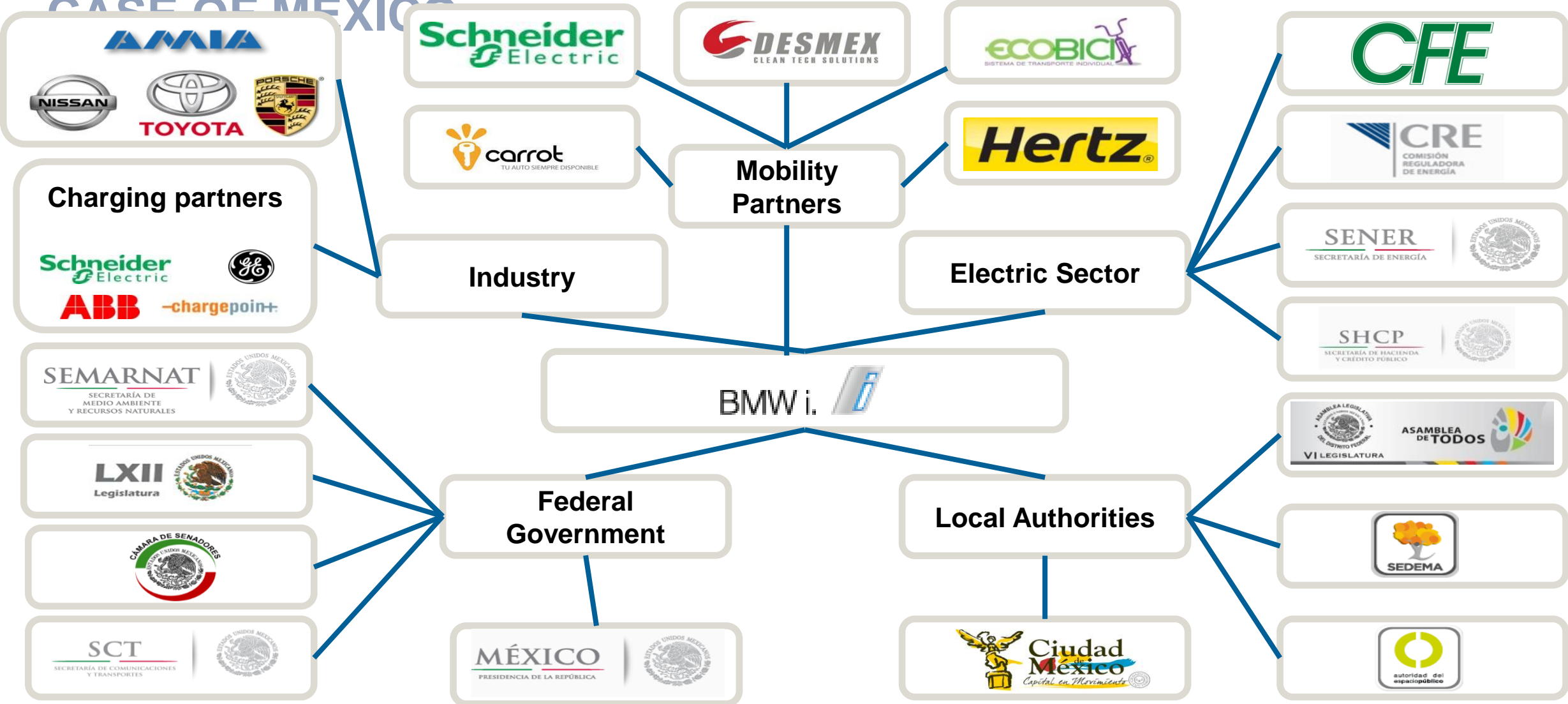
+40 Public Charging stations
+ 20 Dealer Charging
Stations
ChargeNow Network and
Webpage

POI

- Shopping centers
- Universities
- Street charging
- Commercial partners
- Government



A WIDE RANGE OF STAKEHOLDERS TO NURTURE THE “ECOSYSTEM” REQUIRED FOR ELECTRIC VEHICLES, AS IN THE CASE OF MEXICO



PRO-ACTIVE MEASURES ARE NECESSARY TO ACCELERATE E-MOBILITY ADOPTION.

Create Awareness

Present BMW i at events related to mobility, cars, renewable energy, universities, etc. to create “buzz”.

Find Infrastructure Partners

Identify the companies, who excited about charging infrastructure and new mobility business models.

Gain Political Support

Find & Address political stakeholders who are in favor of electric vehicles e.g. Central and local authorities.

Initiate Projects

Initiate deployment of infrastructure by proposing projects and bringing parties together.

Use Dealers

Equip all relevant BMW dealerships with charging stations to create foundation for larger network.

Internal culture

Create a committed and excited team within company to develop all necessary tasks prior to launch.



MOVING FORWARD WITH ELECTRIC MOBILITY

- This year, we will deliver 100,000 electrified vehicles to customers. By the end of 2017, there will be a total of more than 200,000 BMW Group electrified vehicles on the road.
- We are currently gearing all BMW Group plants towards e-mobility. In the future, we will be able to equip all our models with every drive train. Two flexible vehicle architectures and a flexible production network will allow us to respond quickly and efficiently.
- By 2025, we will offer 25 electrified vehicles – 12 will be fully-electric.
- The first series electric MINI, will be released in 2019. As we have announced, we will be introducing the X3 – as a BEV in 2020.
- We are working hard and fast on the shift towards sustainable mobility.

MUST DO'S EV- PROMOTION IN LATIN AMERICA

“GREEN TRANSPORTATION: ELECTRIC VEHICLES IN LATIN AMERICA” REPORT

Four main policy areas where governments in Latin America should focus attention on promoting EV uptake:

- ✓ Expand pilot programs for high-use electric vehicles, which have significant environmental benefits while demonstrating the effectiveness of EV technology to build public confidence.
- ✓ Introduce stronger financial incentives, such as tax reductions for EVs and home charging infrastructure purchases, to reduce high up-front costs and make EVs more competitive with conventional vehicles.
- ✓ Increase non-financial incentives, such as access to preferential parking and driving lanes, and strengthen fuel economy standards to give car manufacturers incentives to invest in EV technology.
- ✓ Include EVs in broader long-term plans for the energy and transport sectors and introduce EV targets in climate change mitigation goals.

THANK YOU VERY MUCH.

