

## VW boss 'convinced of diesel renaissance'

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"I am convinced that diesel is experiencing a renaissance," Matthias Mueller said

The chief executive of the world's largest carmaker Volkswagen said Tuesday he was convinced of a comeback for diesel motors, two-and-a-half years after the firm admitted to emissions cheating on a massive scale.

"I don't only hope that diesel won't be talked to death, I am convinced that diesel is experiencing a renaissance," Matthias Mueller told journalists in Berlin.

While the automaker is engaged in a massive push to develop new electric and hybrid models, "we will create the technical conditions for existing drive concepts and electric vehicle concepts to co-exist," he added.

Over the coming five years, VW plans to spend more than 34 billion euros (\$42 billion) on research and development and investments in its range of future projects, from electric cars to autonomous driving.

But the same time period will see the Wolfsburg-based group pump more than 90 billion euros into traditional diesel, petrol and natural gas motors, with a new generation of [internal combustion engines](#) set for release next year.

"We are investing strongly in tomorrow's mobility, but without neglecting the current technologies and vehicles that will continue to play an important role for decades," Mueller said.

## **Profits still high**

Diesel's market share in Germany has slumped to just 33 percent since September 2015, when Volkswagen admitted to cheating regulators' tests for harmful emissions on 11 million vehicles worldwide.



'Dieselgate' remains a challenge for VW

Fallout from the scandal cost it 3.2 billion euros last year, it said in February, but did not hold it back from booking 11.4 billion euros in profit—around the same level as the year before "dieselgate" became public.

The "[diesel](#) issue", as the group labels it, remains one of the group's top four challenges for the year ahead.

Meanwhile, VW finance chief Frank Witter told journalists Tuesday that the group "takes very seriously" protectionist threats from US President Donald Trump.

Planned tariffs on imports of steel and aluminium to the world's largest economy would only have a "negligible" effect on VW, Witter said.

However, "there are still other tariff questions being discussed," Witter recalled, in a reference to Trump's declaration that he would tax car imports from Germany if the European Union responded in kind to his border levies.

"It's important for dialogue to be maintained and for there to be no 'arms race', (because) I believe in that case there will only be losers," Witter said.

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