

Fiat Chrysler to phase out diesel in Europe by 2021

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Goodbye diesel, Fiat Chrysler says

The clock is ticking for diesel at Fiat Chrysler, at least in its passenger cars in Europe and other key regions, CEO Sergio Marchionne said Friday.

Fiat Chrysler, owner of the Jeep and Maserati brands, plans to phase out diesel-powered engines in its [passenger cars](#) by 2021 in Europe, the Middle East and Africa, Marchionne told a meeting of investors and analysts in Balocco, northern Italy.

"We are planning to phase out diesel engines on all passenger vehicles by 2021" in the EMEA region, Marchionne said.

Nonetheless, "we will continue to offer diesel technology on our light commercial vehicle lineup across brands," he noted.

The heads of both the Jeep and the Maserati divisions—Michael Manley and Timothy Kunikis—said their units planned to phase out diesel and replace it with electric engines.

Marchionne also said his group would invest 9.0 billion euros (\$10.5 billion) in its electric vehicle sector in the coming years.

Global electric car sales rose by 54 percent in 2017, according to the International Energy Agency.

While the market share of these vehicles is still quite low, policy shifts particularly in the European Union mean the transition away from diesel fuel is likely to pick up speed.

Carmaker Toyota, a pioneer in the hybrid vehicle sector, has also announced it will phase out its [diesel](#) models in Europe by the end of the year.

Jeep, whose first vehicles were used by the US military during World War II, is expected to account for 70 percent of Fiat Chrysler's profits this year, according to Morgan Stanley analysts.

Some 1.9 million Jeep sales are expected in 2018, a significant jump from last year's 1.4 million.

Maserati, whose Biturbo model was driven to fame by James Bond on "License to Kill", aims to produce 100,000 vehicles in 2022—twice the number made in 2017, and a massive jump from the 6,000 manufactured in 2012.

From now on, Maserati vehicles will only be powered by hybrid or electric Ferrari engines.

Alfa Romeo aims to increase its sales figures by more than 50 percent by 2022, taking it from 170,000 expected this year to 400,000.

Meanwhile Ram wants to cross the million-vehicle threshold, up from the 770,000 expected to be sold this year.

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