

China delays electric car quota until 2019

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China announced Thursday that it would delay until 2019 the enactment of a quota requiring automakers to produce a minimum number of electric cars after some foreign firms and Germany raised concerns.

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production quotas on car companies.

China had released in June a draft regulation that would have imposed from next year a complex credit system for companies to dedicate a portion of their production to new-energy vehicles—electric and hybrids.

But the rules will now be applied from 2019, the industry and information technology ministry said Thursday.

Under the system, all types of vehicles will receive a certain number of credits, with [green cars](#) getting more points. A company's total credit score will be calculated based on its annual sales.

According to the new rules, electric and hybrid vehicles will have to account for at least 10 percent of a company's total credit score in 2019, rising to 12 percent in 2020.

The rule will apply to companies that make more than 30,000 fossil fuel vehicles per years. If they fail to meet the quota, they will have to buy credits from other automakers that complied with the rules, or face fines.

The previous draft would have set the green [credit](#) at eight percent in 2018, but several automakers were concerned they would not be able to meet the deadline.

German automaker Volkswagen, the market leader, acknowledged that meeting the target so soon would not be easy.

VW sold just a few hundred "green" cars among the four million vehicles it sold in China in 2016, but the German manufacturer plans to sell around 400,000 new-energy vehicles in the country by 2020 and 1.5

million by 2025.

German Chancellor Angela Merkel had personally asked for a compromise in talks with Chinese Premier Li Keqiang earlier this year, according to the German newspaper Handelsblatt.

Other foreign [automakers](#) are also stepping up efforts to produce green cars in China.

US car giant Ford envisages that 70 percent of all Ford cars available in China will have electric options by 2025. It is establishing a joint venture with China's Zotye Automobile to make and sell all-electric vehicles.

Volvo will introduce its first 100-percent electric car in China in 2019.

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