

## APPENDIX 13

### FACILITATING THE DIFFUSION OF ADVANCED TECHNOLOGY AND ALTERNATIVE-FUELED DEMONSTRATION MOTOR VEHICLES

Advanced green automotive technologies designed to lower or eliminate emissions and increase fuel efficiency are being introduced into the marketplace by numerous automotive manufacturing companies around the world. An important part of the process of introducing and expanding access to these energy-saving technologies is through the ability of manufacturers to test demonstration prototypes or early versions of these vehicles in individual economies, while ensuring an adequate level of safety. Fully understanding how consumers in individual markets react to and incorporate these technologies into their daily routines will be critical to designing advanced green technology vehicles for broad public acceptance. APEC member economies can assist by ensuring that streamlined and common import procedures exist for demonstration vehicles.

While each economy's policies and regulations need not be uniform, they should include common elements so manufacturers can quickly and easily work with economies to test these demonstration vehicles in markets across the APEC region. The Auto Dialogue agrees to recommend that Ministers develop policies and regulations which include common elements that:

- **Allow Temporary Access for a Small Number of Imported Demonstration Vehicles:** Vehicles would be allowed to be demonstrated in markets initially for six months with the goal of extension to one year or more in order to produce effective, targeted research outcomes. The timeframe for demonstration could vary, and may be extended in order to achieve the full test plan objectives for a particular vehicle considering the economy's climactic conditions and real-world use patterns. The number of vehicles entering each economy would vary, and economies may set reasonable limits to the number of imported vehicles.
- **Produce Effective, Targeted Research Outcomes:** These vehicles are not-for-sale, and for purposes such as research, testing, and training purposes in order to more clearly understand customer preferences. Manufacturers could share information gathered during the test plan with the importing economy in order to help facilitate the development of supportive infrastructure for advanced technology vehicles.
- **Permit Extended, Public On-road Demonstrations while Ensuring Adequate Safety:** Accommodations should be made for demonstrations in real-world driving conditions on public roads in order to produce the most targeted research outcomes for manufacturers. Economies have a clear and legitimate interest in ensuring an adequate level of safety on their roadways and for their citizens through reasonable requirements specific to these vehicles. Manufacturers should also ensure that demonstration vehicles incorporate current safety technologies. Demonstrations in restricted conditions such as a test track produce limited research value as to what type of advanced technology works best in a specific economy.
- **Streamline Import Procedures by Providing Duty-and Tax-Exempt Treatment during the Demonstration Period and Expedited Approval Processes:** Heavy charges at the border or once in use in economies can represent a significant hindrance to the entry of these vehicles in APEC economies, especially by smaller auto manufacturers. Vehicles may be exempted from duties and taxes to the extent they comply with the importing economies' requirements specific to these vehicles. Policies and regulations should also avoid unnecessary and lengthy licensing and certification requirements that preclude adequate, timely research data for research and production.