



# Compliance+

Understand who will meet EU-28  
fuel economy compliance after  
applying allowances

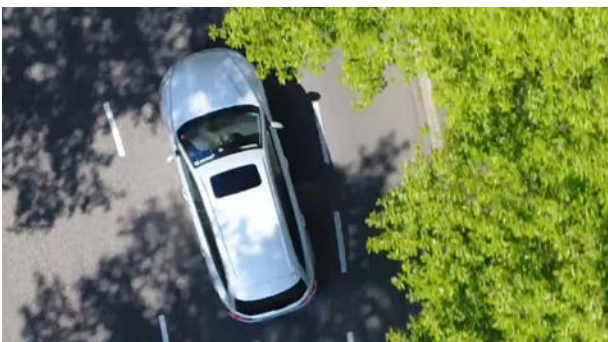
Compliance+ provides an unbiased, independent outlook  
on car manufacturers' compliance gaps with total  
anticipated CO<sub>2</sub> forecasts and fines across the entire  
future EU-28 passenger car sales fleet

The IHS Markit Compliance+ module for the EU-28 provides comprehensive fleet CO<sub>2</sub> forecasts, assessments and analytics along with an appropriate ranking of car manufacturers on a yearly basis against their sales-weighted fleet CO<sub>2</sub> target performance. Powered with leading-class intelligence, the dataset enables a contribution breakdown of car manufacturers of their target achievement at vehicle, nameplate, body-type, powertrain design and fuel-type level, and is forecasted through the current +7 years.

Compliance+ is staged via a Tableau Web Portal and helps you understand the complexity of compliance across four key assessments:

- Fleet-average CO<sub>2</sub> forecast assessment illustrated at various levels to fit clients' workflow
- Gap-to-target analysis with penalty assessment breakdowns
- Illustration of combined CO<sub>2</sub> technical, homologated and strategic optimisation deployment, providing a NET performance prognosis
- Contribution analysis at technology, segment, body-type, and fuel-type levels and more for strategic planning

The Compliance+ module addresses the challenges facing the EU-28 automotive market as automakers endeavor to respond to increasingly stringent CO<sub>2</sub> and emissions regulations. The key questions that must be answered are:



### Post-compliance optimisation, how far are we from being compliant?

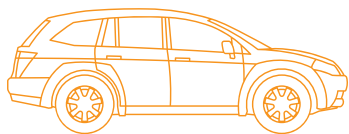
The Compliance+ module addresses the European-specific nature of NET performance, by applying the allowances to the technical predicted CO<sub>2</sub> figures. Key allowance applied to consider certification, super-credits and eco-innovation.

### What are the likely penalties plausible of not meeting fuel economy targets?

The general practice of an OEM product planning team is to look and assess the competitive fleet position, technology propositions and segmentation to understand the profitable platform options and any arising penalty situations.

Compliance+ is an excellent offering to these departments where the vehicle fleet dissection, sales-weighted CO<sub>2</sub> prognosis and contribution analysis can be conducted with great speed.

# Achieving compliance in the EU-28 can be a complex, multi-dimensional and costly task



## B- and C-segment

vehicle contribution to sales-weighted fleet average targets plays a significant role as compared with diesel/gasoline fuel split



3.7% fleet average reduction is enabled from super-credits and 1.85% is availed from eco-innovation, enabling an overall fleet CO<sub>2</sub> target of passenger car to **102 g/km CO<sub>2</sub>** in 2020



A fleet average CO<sub>2</sub> reduction of **5.7%** will be achieved from technology innovation and allowance application

Electrified-vehicle penetration and eco-innovation in 8% of the market have resulted in the avoidance of fines totaling EUR3.7 billion and EUR3.0 billion, respectively. Still,

**EUR14 billion**

in fines need to be addressed.

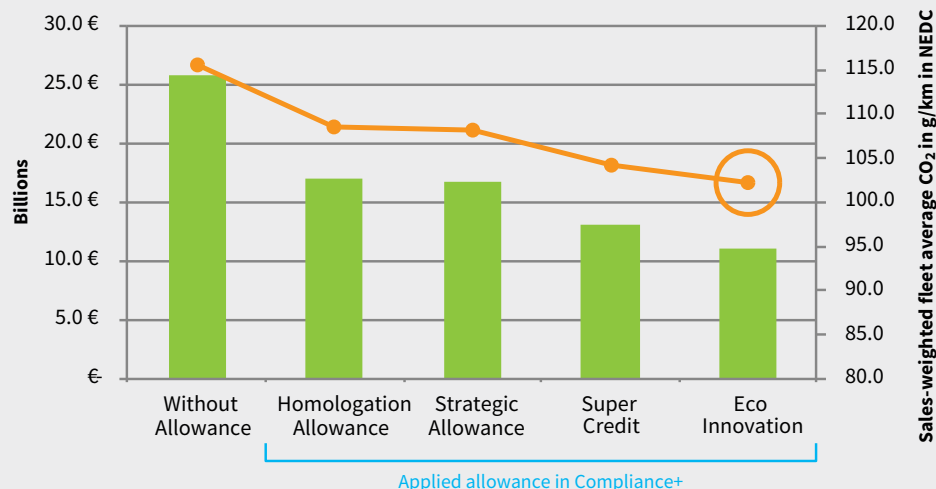


**Only 25 of 52**

car manufacturers will meet the EU2020 fuel economy regulatory target

## CY 2020 | EU-28 market

Strategies Compliance+ applies to the sales-weighted CO<sub>2</sub> average and associated fines



The Compliance+ module enables clients to visualise the regulatory position of car manufacturers in Europe, whereby technology penetration and segmentation analysis are conducted quickly and seamlessly

● Fines ● CO<sub>2</sub> average



Additional allowances provided in terms of homologation, super-credits and eco-innovation enable fine reductions amounting to billions of euro

## IHS Markit can help

Our data-driven solutions help you maximise market share, identify emerging market trends, optimise inventory and product management – locally, globally or somewhere in between.

Compliance+ is the first component of a newly planned Compliance Suite from IHS Markit. The Compliance Suite will provide comprehensive data and analytics illustrating technology pathways and its associated investments in meeting fuel economy regulation in key markets.



#### Compliance+ (EU-28 only)

##### How far is a fleet from compliance?

Gap to target for car manufacturers illustrated with allowance and associated breakdown penalties



#### Compliance Optimisation

##### How else can I optimise my compliance strategy?

Provides insight into overall capital expenditures and investments, capacity planning and investment influence; commodity prices and production volume needed to meet compliance.



#### Compliance Tech

##### What technologies can help close the compliance gap?

Provides gap closure assessments via the deployment of fuel efficient technologies via three prescribed pathways

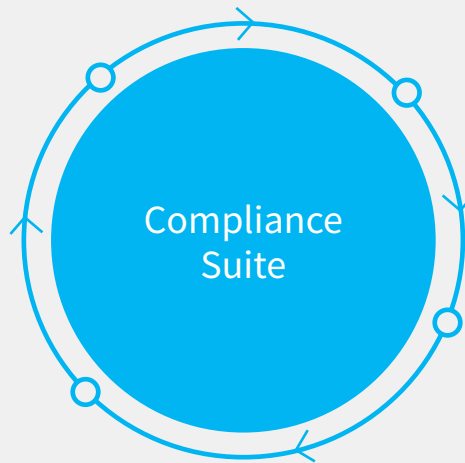
- Mechanical technology
- xEV technology
- Fleet mix



#### Compliance Co\$t

##### How much will those technologies cost?

Investment needed on the technology pathway which can offer the best return on investment



Inputs to Compliance+ are taken from the IHS Markit Vehicle Performance and Compliance Monitor (VPaC). The VPaC Compliance Module complements Compliance+ and the corresponding Compliance Suite by providing forecasts for CO<sub>2</sub> emissions, fuel consumption and acceleration performance for more than 60,000 vehicle-powertrain combinations – including 160-plus attributes per vehicle – across the United States, EU-28, China and Brazil.

#### CUSTOMER CARE

##### NORTH AND SOUTH AMERICA

T +1 800 447 2273  
+1 303 858 6187 (Outside US/Canada)

##### EUROPE, MIDDLE EAST AND AFRICA

T +44 1344 328 300

##### ASIA PACIFIC

T +604 291 3600

E CustomerCare@ihsmarkit.com

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