Start of Production ID.3 at Zwickau

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„Start of a new era“

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Corporate Communications Volkswagen Group

Speech

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Dr. Herbert Diess

Start of Production ID.3

Ladies and Gentlemen,
Welcome to the production start of the ID.3.
Welcome to Zwickau, where the future of Volkswagen begins.

Chancellor Merkel, Minister-President Kretschmer: I am delighted you could join us here today. And I would also like to greet my predecessor Carl Hahn.

Professor Hahn, not long after the border was opened, you traveled to Zwickau in December 1989. The world had changed within the space of a few short weeks. You responded with great entrepreneurial foresight. You saw how a factory in eastern Germany would give Volkswagen a head start. You recognized the advantages of the location with its skilled and motivated workforce. And you knew this endeavor would require some rebuilding.

Just a few months later, in May 1990, the first Polo left the assembly line.
Automobiles have now been built in Zwickau for 105 years. A long history – marked by a constant will to embrace change. That was the case back in 1989. And it is the case today.

There is a lot of talk at the moment about the demise of the German automotive industry. But whether that actually happens is up to us. It is up to us to harness the opportunities that change offers.

Ladies and Gentlemen,
We are on the brink of a system changeover to e-mobility.
The question is no longer whether electric vehicles (EVs) will make the breakthrough.
The question is rather how fast they will make the breakthrough and in what region.
If the German automotive industry is also to play a leading role in the world of e-mobility, we must succeed in making Germany a key e-mobility market. This evening, at the Federal Chancellery, we can take important steps to pave the way.

The future belongs to the electric drive. And VW delivers the car for this future. With the ID.3 we are taking e-mobility out of the niche. The ID.3 isn't the first electric car. But it is the first with a long range, high production quality and high utility value – all for the price of a diesel Golf.

The ID.3 is the first EV to be produced with a neutral carbon balance.
A car for the mainstream, just like the Golf. We can only leverage the full benefits of modern e-mobility with a dedicated platform – parallel to the Golf. Only Volkswagen, with its high sales figures in e-mobility markets such as China, has the leeway needed to devote an entirely new platform to e-mobility.

Ladies and Gentlemen,
For the first time, we are converting a large car factory to 100% electric. During normal operation. That has been and is a major challenge for our team here at Zwickau.

We have invested some €1.2 billion in the conversion. We have also started what is probably the biggest qualification offensive in the automotive industry. Conversion work and the qualification measures will be completed by the end of 2020. In less than three years, Zwickau will then have become the largest electric car factory in Europe.

The same applies to Zwickau as to all our other plants: We can only build cars in Germany if we offset the high wages at the location by achieving the highest possible productivity and quality in our work. Zwickau will therefore also be one of our most highly automated plants.

Over the coming years, we will be spending some €44 billion on future technologies, of which €30 billion is earmarked for e-mobility. In the next few years, we will be converting our factories in Europe, Asia and America to build EVs. Added to this are our components plants.

Battery systems for the ID. are manufactured in Brunswick. Kassel produces the newly-developed drives for our electric toolkit. Salzgitter delivers further key components, namely the rotors and stators. From 2020, Salzgitter will also be home to a battery cell factory that we are setting up in cooperation with the Swedish company Northvolt. That will enable us to continue the development of battery cells, one of the key components in EVs, on our own initiative and set the pace of innovation ourselves. We will only be able to maintain our position as an automotive location if we achieve proficiency throughout the automotive chain.

Ladies and Gentlemen,
Without EVs, we cannot win the battle against climate change. The 100 million or so passenger cars from our brands alone account for one percent of global CO_2 emissions. By 2050, we will have brought this figure down to zero by achieving a climate-neutral balance. And by 2025, our fleet CO_2 emissions will already have been cut by 30 percent.

Battery electric drives are the only available technology that can be mobilized swiftly on a large scale at reasonable cost. Hydrogen will only become a competitive option in the next decade. Primarily for trucks, ships and aircraft, and most especially to replace fossil fuels in industrial processes.

But only if it is produced 100% from surplus renewable energy. The same applies for synthetic fuels. As far as passenger cars are concerned, these alternatives will remain too expensive in the foreseeable future.

That is why we need the system changeover to e-mobility, which needs to be accomplished as quickly as possible so that we can again assume a leading role throughout the world. From the customer's point of view, that will only function: If the change to e-mobility makes economic sense. And that calls for a CO2 price that triggers a genuine steering effect. Not only that – customers must have access to a sufficient number of charging stations. It is true that one million public charging stations are to be set up by 2030. To achieve this objective, we must agree on concrete measures swiftly – and also implement them.

Ladies and Gentlemen,
An industrial nation like Germany must keep reinventing itself. Only then does such a nation achieve permanence. As Zwickau has shown again and again, we can do that.

If we compose a soundtrack of the long history of this automotive location, the first tones are those of a Horch eight-cylinder engine. That is followed by the Trabant two-stroke and then a Volkswagen four-cylinder. And from today, this soundtrack will continue with the murmur of the ID.3's electric motor.

Zwickau has the richest tradition in Germany's automotive industry. And from today, it also has the most future-proof.

Thank you very much!