Remarks prepared for David Strickland, Administrator National Highway Traffic Safety Administration

American Chamber of Commerce

Shanghai, China April 21, 2011

Good afternoon. I am very pleased to be here today. I'd like to extend a special greeting to our hosts, and to all of our distinguished colleagues, guests, ladies and gentlemen.

We've had several meetings with various Ministries of the Chinese Government and the Chinese automobile manufacturers in the past few days. I firmly believe and am reminded whenever I travel how much we have to share and learn from one another. Road safety is a complex problem, with each nation facing a different set of safety problems. And just as in the United States, the traffic safety risks and the risk reduction approaches that China must employ, are and will continue to be tailored to the unique circumstances of China.

When it comes to safety, fuel economy, and reducing the negative effects of transportation, however, China and the United States do share common objectives. We are engaged with the Chinese government on many levels to discuss each nation's priorities in the areas of vehicle safety, behavioral safety issues, and fuel economy.

One of the major concerns of the United States Department of Transportation is the burden that traffic crashes impose on the American people in terms of human and economic losses. In 2009, 33,808 people died on our roads and more than 2.2 million were injured. For 2010 we are estimating that the number killed will drop to 32,788, the smallest number of fatalities since 1949. The fatality rate, too, will be the lowest level ever recorded.

Despite these significant gains, the Department believes that this number of fatalities is still unacceptable.

In addition to this terrible personal toll, motor vehicle crashes have a tremendous economic impact on our society. In 2000, the estimated annual cost of traffic crashes was \$230 billion, more than \$820 per person then in the United States. We're updating those costs, but expect them to still be significant. While I am extremely encouraged by our progress in reducing crashes, fatalities and, hopefully, costs, I know we must remain vigilant.

The statistics on traffic fatalities are just as serious on the global scale. The World Health Organization (WHO) estimates that more than one million people die and millions more are injured in traffic crashes worldwide and the global annual economic cost of road crashes is nearly \$600 billion.

There can be no doubt about the scale of the global challenge we face. Keeping people safe on the road is going to get exponentially tougher in the future. The Census Bureau estimates that in less than 20 years, the world population will reach 8 billion. By the year twenty-fifty (2050), the world's population will soar past 9 billion. The global car fleet is predicted to triple by 2050 – and more than 80 percent of that growth will happen in the developing world.

That means there will be more children playing on roads that double as playgrounds, and more trucks on roads delivering more food to feed more people. There will be more buses, more cars, more chances for road hazards and crashes.

Nations that are now rapidly expanding their use of automobiles in their transportation system should take full advantage of lessons learned and the advancements already made elsewhere. Safe vehicle design plays an important role in increasing road safety, and it is an important part of what needs to be a comprehensive traffic safety solution that encourages the development of a national traffic safety culture in each country.

The motor vehicle industry plays an important role in helping build this culture. The automotive industry is a global industry. Consumers in the United States can now choose among vehicles produced in North America, Europe, or Asia. We also expect that producers that do not currently sell in the United States will begin doing so over the next several years. The same thing is true for parts suppliers, with North American, European, and Asian companies supplying original equipment to the vehicles sold in all countries.

Last year alone, China experienced growth in vehicle sales at the rate of 32.4 percent over 2009 – to the tune of 18.06 million vehicles. Sales of passenger vehicles in 2010 were almost 13.8 million, an increase of 33.2 percent, and sales of commercial vehicles were 4.3 million, an increase of almost 30 percent. Total vehicle production increased 32.4 percent, reaching 18.26 million vehicles.

U.S. automobile manufacturers have contributed significantly to the Chinese market. Last year, GM was the top global automaker in China with sales of 2.35 million units, an increase of nearly 30 percent over 2009. GM and its partners have a 13 percent market share. Ford sales increased 40 percent to reach almost 600,000 units in 2010, which represents an overall 3 percent market share in this booming market. The partnerships and investment in local companies are most likely to further boost Ford sales and market share in China in the near future. Chrysler in 2010 imported more than 23,000 vehicles to China. Some of its new models, including the Chrysler 200 convertible and even Fiat 500, should help Chrysler to achieve significant sales growth as well.

Maintaining market access, however, requires that manufacturers meet Chinese safety and emission standards with the vehicles they want to sell here.

The same is true elsewhere. Chinese automakers that want to sell in the United States must also be in full compliance with U.S. safety and emissions standards. Thus, maintaining a dialogue between U.S. and Chinese regulators is especially important. We have a global safety and environmental problem associated with a global industry and we need to search for a global solution

Let me tell you a little bit about where we are in the United States on some of these issues. NHTSA has been examining our data carefully and taking steps to obtain more accurate and better data to define the size and nature of crashes, fatalities and injuries. We just released our regulatory and research plan for 2011-2013. In that plan we identify the programmatic areas on which we must focus our regulatory efforts in the near term. Crash avoidance projects and programs are a priority because they provide the first opportunity to save lives and reduce injuries by preventing crashes from occurring in the first place.

Other areas of focus on the safety side include motorcycles, rollovers, frontimpact occupant protection, side-impact occupant protection, rear-seat occupant protection, children, and older drivers.

We are looking at advanced technologies to help us solve our problems. This is not only on the safety side but also for fuel economy and CO2 emissions and we want to share our experience and coordinate with other countries

In addition to our bilateral meetings with China, our cooperation is also evident and productive at the global stage in the World Forum for the Harmonization of Vehicle Regulations, perhaps better known around the world under its acronym WP.29. In little more than 10 years, WP.29 has made tremendous progress in transforming from a European-focused organization into a truly global forum. The work of WP.29 on the

harmonization of motor vehicle regulations is absolutely critical to the continued progress on vehicle safety worldwide.

Under the auspices of WP.29, you can find top technical experts from China, the United States, Japan, Korea, India, Thailand, Germany New Zealand, Canada, South Africa, Turkey, Slovakia...experts from a total of 31 countries, working together, sharing experience and expertise toward one common goal: to establish global technical regulations for vehicles so that:

- a) we can inform and reassure our consumers that vehicles produced to those regulations are the most advanced in terms of safety, fuel efficiency and environmental protection;
- b) we all benefit from the 'state-of-the-art' data and science-based knowledge by not having to expend resources trying to develop standards and regulations individually; and,
- c) we contribute to minimizing barriers to trade.

The harmonization work requires a lot of collaborative effort and we often find the best opportunities for establishing harmonized regulations sometimes exist in unchartered territory where few if any countries have adopted any requirements. Electronic Stability Control or "ESC" is a good example. Researchers around the world have studied the actual experience of different vehicle populations in different driving environments and have all come to remarkably similar conclusions about the effectiveness of ESC in real world driving conditions.

This unusually strong body of supporting research led the United States to require ESC as standard equipment in all new light vehicles starting with model year 2012 and to work through WP.29 to adopt a global regulation on ESC.

NHTSA always stands ready to work with its international partners on identifying future areas for cooperation. We are particularly encouraged by the possibilities of advanced crash-avoidance technologies, and innovation in electric batteries and hydrogen fuel cell vehicles. Our intention is to foster innovation and ingenuity of the industry's researchers and engineers.

By working together collaboratively, sharing knowledge, inviting one another to observe testing, by participating in joint research projects, and the like, we can make huge strides to solving our safety and energy challenges. Only with continued support and technical expertise from all our global partners, of the manufacturers, of whole vehicles and automotive parts and equipment, harmonization will be fully realized.

We at NHTSA look forward to working with our partners here in China or through the WP.29 process across the globe in Geneva, with the industry and consumer groups

Thank you.

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